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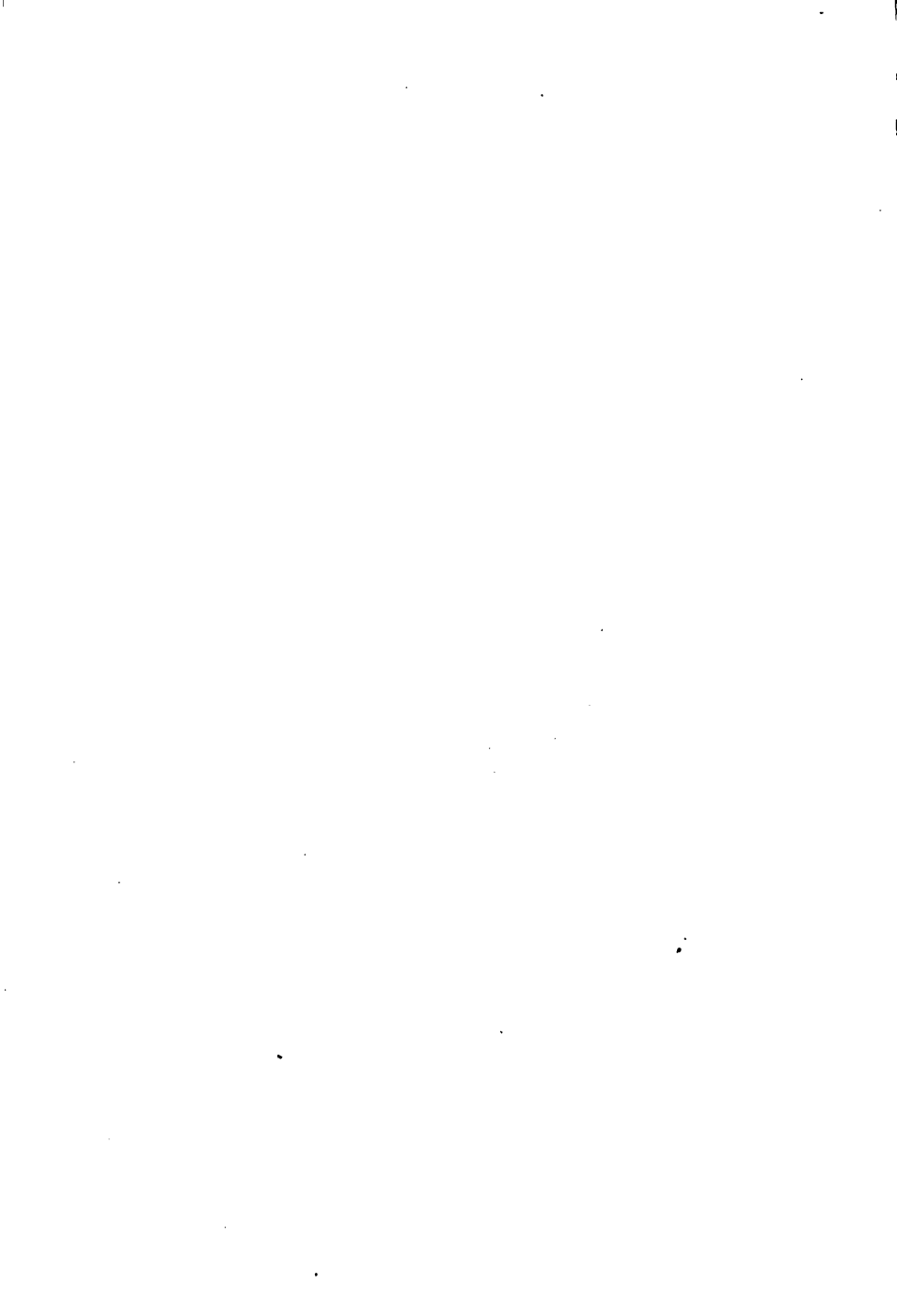
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SOCIALISM VERSUS THE STATE

BY

ÉMILE VANDERVELDE

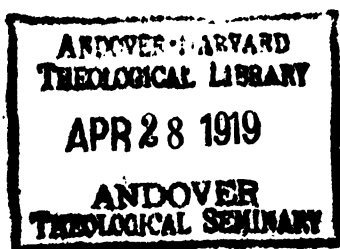
MINISTER OF STATE : MEMBER OF THE BELGIAN GOVERNMENT

Translated by Charles H. Kerr

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PREFACE

This book was at the point of completion when the war broke out. I carried the manuscript to Anvers, then to Ostend and to Havre. One of my co-workers found it, and having read it, advised me to publish without waiting longer. On reflection, I have followed this advice: the problems which concerned me in 1914 have not ceased to be problems. On the contrary, they will assert themselves after peace comes, with a force multiplied a hundred-fold by the crushing financial burdens that the war will leave behind it.

My thesis was, in substance, that we should guard against confusing Socialism with Statism; that the creation of government monopolies and State industries may often be due to causes, of a technical or fiscal order, which have nothing to do with labor and socialist demands; that the formidable growth of war and naval budgets is perhaps the principal factor in this development of statism; that this growing statization would be of a nature to involve the gravest disadvantages, if it were not accompanied by corresponding changes in the political organization of the

State and in the social organization of industries.

Now if this was true before the war, it is still more true at present.

The whirlpool of public debt grows deeper day by day. The after-war finances will require in all countries the creation of new state monopolies. The actual needs of the conflict have placed most of the principal industries under control of the States. And in the public mind, it seems that this governmental seizure of the means of production and exchange appears more than ever like an application and realization of socialist principles.

Thus, in May, 1916, at the moment when the "economic dictatorship" was inaugurated in Germany by Batocki, the predecessor of Michaelis, one might have read in the *Gazette de Lausanne* the following article:

"The economic dictatorship is in itself an event of enormous import from the social point of view. It marks the culmination of a system of State socialism toward which the Empire has progressed gradually and without check since the beginning of the war. Industrial organization for war, followed by the creation of all the societies for the purchase and distribution of commodities imagined by Dr. Delbrueck,—these have been stages in this progress toward the

realization of the dream of Karl Marx. Finally, the economic dictatorship, that is, the distribution of food for all under the guardianship of the State, marks the final point. *It is absolute Statism.*

"And what is most remarkable is that the complete overthrow of a capitalist organization has been realized in a few months, by virtue of the common will, without discussions, without recourse to the luminaries of Parliament. The Germans are all Socialists now, Liebknecht alone is a Socialist no longer. And that is why he is in prison!

"The import of this concluding experience will be tremendous in the future. As a matter of fact, the theories which were called utopian have furnished the leaven which has saved the Empire from an economic catastrophe, and their application, with the Germans' well-known spirit of organization, will not fail to be regarded by all economists as a precious foundation for a financial structure.

"Saved at first by stocks of goods whose existence no one, not even in Germany, suspected (every intense economic organization, in reality, functions only through abundant stocks) the Empire will owe its economic safety to the application of socialist theories."

However interesting this homage to socialism by a newspaper which has never been regarded as favorable to socialist theories, we could not subscribe to it without many and various reservations.

True, such facts as the "economic dictatorship," the requisition of war industries, the extension of State control to the principal branches of social activity, furnish valuable arguments to the advocates of industrial socialization; but between this self-styled socialism, this war socialism, and real socialism, there is all the difference that exists between an authoritarian organization and a democratic organization of the life of the members of society.

All that can be said is that on the day when it was necessary to carry national energies to the maximum, the system of private initiative gave way to a system of co-ordination of social forces, and that henceforth it may be foreseen that on the day after the war, for financial reasons, the number of State monopolies will increase rather than diminish.

Try to imagine, indeed, what the budgets of all the belligerent States will be during the coming years.

In an article in the *Neues Wiener Tageblatt* of August 4, 1917, Dr. E. L. summarizes in the

following table the present financial situation of the principal European States:

DEBTS OF THE BELLIGERENT NATIONS OF EUROPE

Quadruple Alliance and Allies

	July 31, 1914	July 31, 1917
	(in millions of crowns)	
England	15,624	83,424
France	32,787	87,169
Russia	25,731	96,000
Italy	15,586	38,051
Roumania	1,715	2,715
Belgium	3,734	?
Serbia	900	?
Portugal	3,833	?

Central Powers and Allies

Germany	5,910	74,510
Austria-Hungary	12,954	47,454
Bulgaria	1,029	5,029
Turkey	4,180	9,180

These figures, naturally, have only a relative value. They do not, for example, take account of the fact that the Imperial debts of Germany and Austria-Hungary represent but a minor part of their real debt. But the figures suffice to show this undeniable fact, that to cover the interest on these gigantic loans, it will be necessary to find fiscal resources that taxes alone will surely not be enough to furnish.

In an important pamphlet by Edgar Jaffé, "Volkswirtschaft und Krieg,"¹ issued in 1915, the

¹ Tübingen, Mohr, 1915. See especially pages 6, 24, 25, 26.

author already insisted on this inevitable consequence of a financial effort which far surpasses all that the boldest minds would have dared conceive at the outbreak of hostilities.

Proud as was the strength of Germany, Jaffé labored under no illusions as to the future, and recognized that the difficulties his country would have to overcome on the commercial and industrial field would be as nothing to those it would meet on the financial field.

Now, he adds, we can not expect everything from a direct tax. It will be necessary to consider the national interest alone and not attempt to satisfy private interests. *It will be necessary to obtain resources by establishing State monopolies.* From experiences gathered before the war, postoffice, Imperial Bank, railroads, co-operatives of consumption, etc., it may be concluded that monopolies are possible and lucrative. The State would retain the total of the profits. Commerce in cereals, wool, copper, etc., would be financed by public or semi-official organizations. The State would keep a monopoly of the electrical industry and of electric power.

That other countries, foremost among them Great Britain, are from now on as holdly or more boldly than Germany on the road toward "statization" is doubted by no one, and least of all by the

thousands who are moved by this tendency to the most resistance and apprehension.

Certainly, a part of the war collectivism will disappear with the war. But, apart from the State monopolies which will be maintained, others must be created. State control will be established more and more over the combines, the pools and the trusts of big business. Industries operated by State bureaux will grow in number. And by the fact of their development, more imperiously than ever will arise the problems which we have studied in this book and which are summed up in its title: *Socialism Versus the State*, that is to say the substitution of Socialism, founded on the management, the administration of things, for Statism, founded on authority, on the government of men.

The war will have as its inevitable consequence an inordinate increase in the domain of Statism. But this very development will at the same time render both easier and more necessary the development of its opposite, Socialism.

E V.



INTRODUCTION

Every one knows, or at least has heard of, Spencer's little book "The Man *versus* the State."

I had in mind this title, invented to fight Socialism, when I called these talks "Socialism *versus* the State."

At this time when, by the fact of war or of the financial burdens resulting from war, the State is grasping more and more of the great industries, it is more important than ever to react against the too general tendency, not escaped by some Socialists, to confuse socialism with statism, to see in the progress of statization so many partial victories of collectivism, to imagine that to assure the future of socialism it will suffice to push to their final consequences the development of municipal ownership and of State monopolies.

It is this manner of observing, too prevalent, which in many minds creates deep-seated prejudices against the socialist ideal.

How many people, for example, never having made any thorough study of socialism, take for a portrait of socialism this caricature in which

Flaubert describes the psychology of Sénécals, revolutionary propagandist and future police spy:

He had built up an ideal of virtuous democracy having the double aspect of a small farm and a spinning-mill, a sort of American Sparta where the individual existed merely to serve a society more omnipotent, absolute, infallible and divine than the great Lamas and the Nebuchadnezzars.

Even in the scientific world, moreover, such ideas are still in repute. In proof of this, one only need open the treatise on political economy by Leroy-Beaulieu; he will find the following definition of socialism:

A system which resorts to State compulsion, compulsion by regulation or compulsion by taxation, to introduce among men a less inequality of conditions than that which is produced spontaneously under the regime of pure freedom of contract.

Again, he says:

Moreover the isolated individual and family today become parts of a multitude of voluntary and free combinations: different associations with different objects, intellectual, moral, material, pecuniary.

In a socialist system where the State would provide for all production, would take it upon itself to assuage all miseries and to enlighten all men, the individual would no longer have to enter into any of these beneficent and varied relations. Emancipated from particular duties to others, deprived of all initiative in presence of the all-powerful and all-providing State, he would be, more than today, a grain of human dust.

Thus for bourgeois political economy, socialism and statism are almost synonymous: socialism is

statism ending in the absorption by the State, not only of every individuality, but also of every autonomous or independent collectivity.

But if we now address ourselves to socialists, and especially to the two theorists, Engels and Marx, who have exercised a preponderant influence on the doctrinal development of contemporary socialism, on the elaboration of the declarations of principles and program of the parties affiliated with the International, the response will be altogether different.

For the Marxists, in fact, socialism, far from being confused with statism, is its opposite. Its final aim is not the omnipotence of the State, but on the contrary its *abolition*.

In his book "The Origin of the Family, Private Property and the State," published in 1884, where Engels, doing what death had prevented Marx himself from doing, sums up in a popular treatise the results of their common researches, he says:

The State, then, did not exist from all eternity. There have been societies without it, that had no idea of any State or public power. At a certain stage of economic development, which was of necessity accompanied by a division of society into classes, the State became the inevitable result of this division. We are now rapidly approaching a stage of evolution in production, in which the existence of classes has not only ceased to be a necessity, but becomes a positive fetter on production. Hence these classes must fall as inevit-

ably as they once rose. The State must irrevocably fall with them. The society that is to reorganize production on the basis of a free and equal association of the producers, will transfer the machinery of State where it will then belong: into the Museum of Antiquities by the side of the spinning wheel and the bronze ax.

The clearness of this passage leaves nothing to be desired: socialism, as the masters of the theory explain it, is then not *statist*, but on the contrary, *anti-statist*.

How comes it, then, that the popular notion of socialism could be the exact opposite of what its principal theorists teach?

To understand this, it is indispensable to carry to its completion the thought of Marx and Engels by comparing the text just quoted with other passages from their writings, which relate not to the final goal of socialism, but to the means for arriving at that goal. It will then be seen that if they desire, when socialism shall have triumphed, to "transfer the machinery of State to the Museum of Antiquities," they wish that the workers grasp this machine, and before discarding it, make it operate to their profit.

This is found clearly explained in the following passages of the Communist Manifesto:

The immediate aim of the Communists (we should say today Marxians) is the same as that of all the other proletarian parties; formation of the proletariat into a class, overthrow of the bourgeois supremacy,

conquest of political power by the proletariat. (Page 30, Kerr edition.)

And again farther on:

We have seen above, that the first step in the revolution by the working class, is to raise the proletariat to the position of ruling class, to win the battle of democracy.

The proletariat will use its political supremacy, to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, i. e., of the proletariat organized as the ruling class; and to increase the total of productive forces as rapidly as possible.

Of course, in the beginning, this cannot be effected except by means of despotic inroads on the rights of property, and on the conditions of bourgeois production; by means of measures, therefore, which appear economically insufficient and untenable, but which, in the course of the movement, outstrip themselves, necessitate further inroads upon the old social order, and are unavoidable as a means of entirely revolutionizing the mode of production.

These measures will of course be different in different countries.

Nevertheless in the most advanced countries the following will be pretty generally applicable:

1. Abolition of property in land and application of all rents of land to public purposes.

2. A heavy progressive or graduated income tax.

3. Abolition of all right of inheritance.

4. Confiscation of the property of all emigrants and rebels.

5. Centralization of credit in the hands of the State, by means of a national bank with State capital and an exclusive monopoly.

6. Centralization of the means of communication and transport in the hands of the State.

7. Extension of factories and instruments of production owned by the State; the bringing into cultivation

of waste lands, and the improvement of the soil generally in accordance with a common plan.

8. Equal liability of all to labor. Establishment of industrial armies, especially for agriculture.

9. Combination of agriculture with manufacturing industries; gradual abolition of the distinction between town and country, by a more equable distribution of population over the country.

10. Free education for all children in public schools. Abolition of children's factory labor in its present form. Combination of education with industrial production, etc., etc.

When, in the course of development, class distinctions have disappeared, and all production has been concentrated in the hands of a vast association of the whole nation, the public power will lose its political character. Political power, properly so called, is merely the organized power of one class for oppressing another. If the proletariat during its contest with the bourgeoisie is compelled, by the force of circumstances, to organize itself as a class, if, by means of a revolution, it makes itself the ruling class, and, as such, sweeps away by force the old conditions of production, then it will, along with these conditions, have swept away the conditions for the existence of class antagonisms, and of classes generally, and will thereby have abolished its own supremacy as a class.

In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association, in which the free development of each is the condition for the free development of all. (Kerr edition, pp. 40-42.)

We are now in a position to understand how socialism may be considered as statist or anti-statist, according to whether one has in view its immediate goal or its final goal. The thought of Marx and Engels may be summed up as follows:

1. The State, taken in the sense of State-power, of State-government, of the State as organ of authority,—is a product of society arrived at a definite degree of development. "In order that these contradictions, these classes with conflicting economic interests, may not annihilate themselves and society in a useless struggle, a power becomes necessary that stands apparently above society and has the function of keeping down the conflicts and maintaining 'order.' And this power, this outgrowth of society, but assuming supremacy over it and becoming more and more divorced from it, is the State." (Origin of the Family, p. 206.)

2. The State, born of the need for restraining class antagonisms, but also born in the midst of the class struggle, is, as a rule, the State of the most powerful class, of that one which rules economically, and which, by means of the State, becomes also the preponderant class from the political point of view.

3. The immediate aim of the proletarian revolution is the conquest of the State, the capture of political power.

4. The proletariat will use this political supremacy to wrest little by little from the bourgeoisie all the capital, to centralize in the hands of the State, that is to say of the proletariat

constituted as a directing class, the instruments of production. (Communist Manifesto.)

5. As it will thus have suppressed the very conditions which lead to class antagonisms, the existence of classes, it will take away from its own supremacy the character of class supremacy: the State, as organ of authority, may disappear; for the old capitalist society with its classes and its class antagonisms will be substituted an association in which the free development of each will be the condition for the free development of all.

It will be seen that, in this conception, the word "State" is employed *stricto sensu*: the question is not of the administration of things, but of the government of men; not of the State as an organ of management, but solely of the State as an organ of authority.

This is the State which we seek to conquer in order to abolish it, following the clear formula which Kautsky gives in his commentary on the Erfurt Program:

"Democracy would have the working classes conquer political power, in order, by aid of it, to transform the State into a great economic co-operative."

The ideas of Marx and Engels on the conquest of political power re-appear today with more or

less clearness and precision in the programs of all the parties affiliated with the International.

Moreover, the International admitted to its congresses, according to the decisions taken at the Congress of London (1896) and Paris (1900) only associations and labor organizations answering to the following conditions:

1. All associations which adhere to the essential principles of socialism: centralization of the means of production and exchange; union and international action of the workers; socialist conquest of the public powers by the proletariat organized as a class party.

2. All labor organizations which, placing themselves on the field of the class struggle and recognizing in their declarations the necessity of political action, namely legislative and parliamentary, do not participate directly in the political movement.

These decisions at London and Paris had for their aim and their result the exclusion, on the right wing and on the left wing, of associations or organizations which, while taking the name of socialism, did not accept the fundamental ideas which have just been explained on the subject of the conquest of the State, of political power, by the proletariat organized as a class party.

On one side there were, in France, the Inde-

pendent Socialists, in Italy, the "Reformists of the Right," in England the "Labor Men," liberals, like John Burns, who, while declaring for the socialization or at least statization and municipalization of certain means of production and exchange, opposed, either in theory or in practice, the collaboration of the working classes in the class struggle.

On the other side there were the anarchists, the libertarians, the anti-parliamentary syndicalists who, while placing themselves on the field of the class struggle, and striving for the socialization of the means of production and exchange, did not recognize the necessity of political action, of the "socialist conquest of the public powers by the proletariat organized as a class party."

There were, in short, before the war, three principal tendencies in the labor movement: reformist socialism, revolutionary syndicalism and social democracy.

These three tendencies, from the theoretical point of view, are connected more or less with Marx and Engels, but the first two are deviations which lead, on one side to a sort of socialist radicalism and on the other side to anarchism; the third, on the contrary, is a development of the Marxian thought, and at the same time an adaptation of it to the modifications which half

a century has produced in the social environment.

We propose to characterize these three tendencies, especially from the standpoint of their conception of the role and the nature of the State.

I. REFORMIST SOCIALISM

Inside the organization of the labor and socialist International as it existed on the eve of the war, were found groups like the "Reformists of the Left" in Italy, the "Revolutionists" in Germany, the "Fabians" in England, the right wing of the unified socialist party in France, which were connected, more or less, with reformist socialism.

But among the individuals belonging to these various groups and factions, or among these groups and factions themselves, there is such a diversity of shadings that any attempt to characterize their common ideas would inevitably raise numerous objections on their part.

In France, for example, the most reformist among the members of the unified socialist party might and even ought to protest against this epithet of reformists, in view of the fact that the common declaration which stands as the basis of the Socialist Unity asserts that "by its aim, its ideal, the methods it employs, the socialist party, while pursuing the realization of immediate re-

forms demanded by the working class, is not a party of reforms, but a party of the class struggle and revolution."

To find reformist socialism one must either go beyond the frontier of the party, or else revert to an epoch preceding the Unity (of French socialists), to the time when, in his celebrated speech at Saint-Mandé, Alexandre Millerand formulated in these terms the three essential points, "necessary and sufficient" according to him, to characterize a socialist program:

1. State intervention to transfer from the capitalist domain to the national domain the various categories of means of production and exchange, as fast as they become ripe for social appropriation.
2. Conquest of the public powers by universal suffrage.
3. International alliance of the workers.

With a little less precision or inclusiveness in terms, these "three essential points" correspond, in short, to the "essential principles of socialism" to which one must adhere in order to be admitted into the congresses of the International.

But while affirming the need of the international alliance of the workers, Millerand protested his patriotism in terms which already seemed to announce his future nationalism, and on the other hand, upon the two other essential points, he developed ideas very different from those explained

in the Communist Manifesto or the other writings of Marx and Engels.

1. Social Appropriation

Here, to start with, is Millerand's idea of collectivism:

He is not a socialist, in my opinion, who does not accept the necessary and progressive substitution of social property for capitalist property.

That is to say that a socialist would not limit his action to those three categories of production and exchange which may be called classic: credit or banking, railway transportation and mining.

Thus, outside of these, take an example about which there can be no question, an industry which is incontestably ripe for social appropriation at the present time, because, monopolized in a few hands, returning enormous profits to its exploiters, it is altogether suited to furnish a fertile field for social exploitation. I refer to the sugar refineries.

That is one example, and only an example: but is there in truth any great novelty in this national administration which tomorrow shall restore to all the profit unduly monopolized by a few; that already . . . by assuming control of water works, electric power, the local transportation systems, and the service in common of farm machinery, a number of small collectivities, urban and rural, have in their sphere substituted social property for capitalist property?¹

It will be seen that in M. Millerand's conception, the substitution of social property for capitalist property was, in reality, the establishment of a certain number of government bureaux, the

¹ Le Socialisme réformiste, p. 27.

statization or municipalization of a few which already, as a matter of fact, constituted monopolies.

In the quotation we have just made from his speech, we find in substance the theory of the "socialization of monopolies" which Benoit Malon had set forth in his book on "Integral Socialism," the second volume of which appeared in 1891.

Reforms of this kind, moreover, are merely the realization, partial at least, of the program of immediate action which Marx and Engels were already developing in 1848.

But the authors of the Manifesto saw in this program only the starting point for more radical transformations. Measures will have to be taken, they said (Manifesto, p. 41), "which appear economically insufficient *and untenable*, but which in the course of the movement outstrip themselves, necessitate further inroads upon the old social order, and are unavoidable as a means of entirely revolutionizing the mode of production."

For Malon and Millerand, on the contrary, the transformation of private monopolies into productive services constitutes not a means, but an end. They see in it nothing less than the culmination of socialist effort so far as property is concerned.

2. *Conquest of Public Powers*

For Marx and Engels, the measures of which we have just spoken were to be taken by the proletariat, having become a ruling class, *after* conquering the public power (Manifesto, p. 41).

For Malon and Millerand, on the contrary, the socialization of monopolies can and must take place *beginning now*; it must be accomplished gradually, progressively, by way of purchase, as must also be effected gradually, progressively the conquest of public powers through universal suffrage.

That is what Millerand, in his speech at Saint-Mandé, affirmed in the most categorical terms, protesting energetically against the "ridiculous reproach" of expecting the triumph of his ideas from violent revolution:

"Resort to force, and for whom, and against whom? Republicans before all else, we do not entertain the crazy idea of appealing to the illusory prestige of a pretender or the sabre of a dictator to make our doctrine triumph. . . . No, to realize immediate reforms, capable of alleviating the lot of the working class and thus making it more fit to conquer its own emancipation, to begin, under conditions determined by the nature of things, the socialization of the means of production, it is *necessary and sufficient* for the socialist party to pursue through universal suffrage the conquest of the public powers."

¹ Le Socialisme réformiste français, p. 32.

The socialism thus understood is evidently a State socialism, answering to the general definition of socialism given by Leroy-Beaulieu. It strives to conquer the State, not to abolish it, but on the contrary to extend its domain, entrust new functions to it, so as to assure its grasp on all monopolies, natural or artificial.

2. REVOLUTIONARY SYNDICALISM

The whole doctrine of revolutionary syndicalism will be found in embryo in the article on the new society which Sorel published, in 1898, under the title "The Socialist Future of the Syndicats" (industrial unions).

Before this, it should be understood, there were in France syndicalists more or less hostile to parliamentary action, and who advocated, in opposition to the militants of the Parti Ouvrier, founded by Guesde and Lafargue, theories or tactics which connected them, consciously or unconsciously, with Proudhon or Bakounin.¹

But Sorel's originality was in representing syndicalism as a logical deduction from the Marxian conception itself. His conclusion on this point is worth quoting entire:

This study furnishes us with a beautiful illustration of the doctrines of Marx: the leaders of the syndicalist

¹ See on this subject the study by Lagardelle on the origins of syndicalism in France in the *Mouvement Socialiste*, Nov.-Dec., 1909.

movement did not know his theories and, oftener than not, had only confused notions of historical materialism. Their tactics may have been sometimes open to criticism, because they were doing pioneer work, with no one to advise them. Today, things are sufficiently advanced so that we may take account of the role which the syndicates are called upon to play.

We see today very clearly that the proletariat can emancipate itself from all exploitation only by establishing itself on the model of the old social classes, taking lessons from the bourgeoisie as that class formerly took lessons from the nobility, by adapting the old political formulas to its new needs, and by conquering the public powers in order to appropriate the profit from them as the capitalist class has done in all countries.

If, as Marx says, the proletarians can not lay hold of the forces of social production without abolishing the "mode of appropriation in force up to our time," how can one admit that they can preserve the quintessence of the capitalist mode of appropriation, that is to say, the forms of the traditional government? Such a conclusion would be the negation of the whole of historical materialism. Finally, how could the differentiation of governed and governors disappear, if there did not exist in society forces, long ago developed, capable of preventing the return of the past?

As it confronts the State, the action of the proletariat is two-fold: it must struggle within the present relations of the political organization, to obtain social legislation favorable to its development; it must use whatever influence it acquires either in public opinion or in the government, to destroy the present relationships of the political organization, to strip the State and the municipality, one by one, of all their attributes, thereby to enrich the proletarian organisms in process of formation, namely, the syndicates (industrial unions).

The proletariat must aim to emancipate itself henceforth from all outside authority; it is by movement and action that it must acquire legal and political capacity. The first rule of its conduct must be to "remain exclusively working-class," that is, to exclude the intellectuals, whose leadership would result in restoring the hierarchies and dividing the army of toilers. The role of the intellectuals is an auxiliary role; they may serve as employees of the unions; they have no qualification for leadership, now that the proletariat has begun to be conscious of its reality and to establish its own organization.

The development of the proletariat makes possible a powerful moral discipline exercised over its members: this can be exercised by its unions, which are destined to wipe out all forms of organization bequeathed by the bourgeoisie.

To sum up my whole thought in one formula, I will say that the whole future of socialism is contained in the free development of the industrial unions.

It will be seen that at this moment Sorel did not declare against all political action. Neither did he profess the contempt that he proclaimed later in his "Introduction to Modern Economics" for co-operative action. He admitted on the contrary that, even if the co-operatives did nothing but make life less hard for the workers, even this would be an enormous result. Experience had already shown to Young that the best paid workers were the most inclined to resistance; all writers are today unanimous in recognizing that poverty is a great obstacle to the progress of socialism, but, they add, the co-operative has

one effect still more direct, in that it takes the worker away from the influence of the shop-keeper, that great elector of bourgeois democracy; this is no small result.

However, according to Sorel, it is for the unions to preserve the proletarian spirit in the co-operatives, to prevent their growing into mere business concerns, and to eliminate from them whatever savors of the capitalist corporation. And again, it is on the unions, on the direct action of the unions, that he counts for obtaining from the legislator, not laws of protection and guardianship, but facilities for proceeding with the transformation of the nation by itself.

Thus for example:

1. Many people think that the employment agencies ought to be municipalized, but the unions have well understood that if they could obtain control of these agencies, this conquest would be of great importance for them, not only because of the authority they would have over the workers of each trade, but especially because they would have wrested from the traditional authority a scrap of its power.

2. A few years ago, miners' delegates were introduced to supplement the insufficiency of government supervision; in selecting them the old democratic tradition was followed, leaving the

unions side-tracked. So again when it was necessary to organize pensions and sickness and accident benefits. As a matter of fact, the unions strive to conquer this power of supervision indirectly, by contesting the elections; when they shall have acquired it in a general and indirect manner, the legislator will be forced to recognize them and to suppress the fiction of a useless vote.

3. Every one complains of the excessive supervision exercised over factories; the inspectors are too numerous, and their good will (when they have any) is nullified by administrative inertia or even repressed by the public powers. The solution of the radicals is very simple: to multiply functionaries so as to furnish jobs to the intellectuals who are out of work. The socialist solution is even simpler and more economical: to assign the duty of inspection to the unions; thus it would be assured that this would be serious and practical.

4. Finally, it is not evident that the unions would be much more capable than municipal employes to take care of questions of relief? There again their intervention would be more efficient and less costly than that of the established bodies.

To sum up then, in Sorel's view, unionist action in the political field should not have for its aim to

conquer the State in order to abolish it later, but to work from now on for its final abolition, by substituting union action for state action :

It is necessary that the unions strip the State of its powers, little by little, by demanding them incessantly, by interesting the public in their efforts, by denouncing abuses without respite, by showing the incompetence or the dishonesty of the public administrations. They will thus eventually take away from the old forms, preserved by the democrats, everything vital in them, and leave them nothing but the repulsive functions of police repression. Then a new society will have been created, with elements completely new, with principles purely proletarian. The societies of resistance will have ended by enlarging their field of action to such a degree that they will have absorbed nearly everything political.

That, as I understand it, according to the materialistic conception of history, is the final struggle for the public powers. It is not a struggle to capture the positions held by the bourgeois and to deck ourselves out in their spoils; it is a struggle to empty the bourgeois political organism of all life, and to transfer everything useful contained by it into a proletarian political organism, created as fast as the proletariat develops.

This study by Sorel, at the time of its publication, received scarcely any notice.

The C. G. T. (General Confederation of Labor) created in 1895, numbered few adherents and had not yet clearly defined its syndicalist tendencies.

The Federation of Labor Exchanges, headed by Fernand Pelloutier, remained the head and the heart of the syndicalist movement. Like the

C. G. T., it aimed to co-ordinate working-class action outside the socialist groups, and to unite the workers on the economic field in the struggle for their complete emancipation.

But, while affirming the theoretical necessity of a rupture between the bourgeois State and the organized labor movement, the Federation remained practically incorporated into the State which it pretended to combat, by the fact that it accepted the subsidy from the government as its normal means of existence.

Before the syndicalist tendencies, outlined in theory by Sorel, could take shape in a powerful organization, a crisis was needed, and this was produced in the socialist and labor circles in 1900, when M. Millerand, at that time one of the leaders of parliamentary socialism, accepted a portfolio in the Waldeck-Rousseau-Gallifet ministry.

As Griffuelhes pointed out at the C. G. T. Congress six years later, it was to react against the reformism of the parliamentary socialists that a coalition of anarchists, Guesdists, Blanquists, Allemanists and various other elements was formed, to isolate the unions from the government. This coalition succeeded in maintaining itself, and was the life of the C. G. T.

At its origin then, the syndicalist movement was nothing else than a protest against Millerand-

ism and against government attempts at the domestication of the trade unions.

While the majority of the socialist party approved the policy of M. Millerand and accorded its parliamentary support, the advanced elements of the unions took an attitude more and more hostile, both toward the minister and toward the socialists who supported him.

But little by little this mistrust of a definite kind of politics took on a character of hostility or at least indifference, towards all politics in general, and in 1906, at the syndicalist Congress of Amiens, an enormous majority declared in favor of a motion proclaiming the absolute separation of the political movement and the syndicalist movement.

True, the Congress asserted for each member of a union "entire liberty to participate, outside his co-operative group, in such forms of struggle as correspond to his philosophical and political condition," but he was requested not to introduce into the union the opinions that he professed outside. It was proclaimed that the federated organizations should not, as unions, concern themselves with parties or sects. On the other hand, a clearly anti-capitalist viewpoint was adopted. They took their stand on the field of the class struggle, proclaiming that the mission of syndicalism is to pre-

pare for the complete emancipation of the proletariat, which can only be realized by the expropriation of the capitalists; they advocated the general strike as a means of action, and held that the union, today a group for resistance, will be tomorrow a group for production and distribution, a basis for social reorganization.

But, in fact, the motion passed at Amiens gave to the libertarian or syndicalist elements, which already dominated the C. G. T., full license to pursue their advantage and consolidate their control.

Thus, less than six years after the publication of Sorel's pamphlet, his ruling ideas had become the official doctrine of the C. G. T.

To become convinced of this, one need only read in the library of the *Mouvement Socialists*, published by Lagardelle, the pamphlets published in 1907-1908 under the following titles:

- I. Syndicalisme et Socialisme, by Lagardelle, Labriola, Michels, Kritchewsky, Griffuelhes.
- II. La Confédération générale du Travail, by Pouget.
- III. La Décomposition du Marxisme, by Sorel.
- IV. L'Action syndicaliste, by Griffuelhes.
- V. Le Parti socialiste et la C. G. T., a discussion by Jules Guesde, Lagardelle, Vaillant.

In the pamphlet by Pouget, for example, we find this very clear affirmation, that the working class, in giving itself an independent organization, meant "to establish itself as a class party, in op-

position to all other parties and in opposition to all other classes."

The goal which it seeks is to "realize and to fortify groups fit to accomplish the expropriation of the capitalists and capable of proceeding to a social reorganization on the communist plan." (Page 3.)

To arrive at these ends, the "federal union is accomplished outside all political schools, which are all—even those which connect themselves with doctrines of social transformation—nothing but a prolongation of democracy." (Page 25.)

The C. G. T., on the other hand, makes a complete break between present society and the working class. It does not abdicate before any social problem, not even politics, using that word in its broad sense. What distinguishes it from the democratic parties, is that it does not participate in parliamentary life; it is *non-parliamentary*, as it is *non-religious*, and also as it is *non-patriotic*.

But its indifference to parliamentary matters does not prevent it from reacting against the government, and experience has proved the efficacy of its action exerted against the public powers by exterior pressure. (Page 28.)

As for tactics, these are pretty nearly the op-

posite of the tactics followed by the democratic parties, socialists included.

1. The democratic parties strive to win the majority. The C. G. T., on the contrary, counts most of all on the action of the minority:

If the democratic mechanism were practiced in labor organizations, the non-will of the unthinking and non-syndicalist majority would paralyze all action. But the minority is not disposed to abdicate its demands and its aspirations before the inertia of a mass not yet animated and vivified with the spirit of revolt. Consequently there exists for the conscious minority an obligation to act without taking account of the retarding mass, under penalty of being forced to bend the spine like the unthinking ones. (Page 35.)

The democratic parties count on their delegates in political assemblies. The C. G. T., on the other hand, practices direct action, that is to say, syndicalist action, free from all alloy, without capitalistic or governmental compromise, without intrusion into the debate of "persons interposed." (Page 37.)

This direct action, moreover, is not necessarily violent: it may appear under aspects benevolent and pacific or very vigorous and even violent, without ceasing to be, in either case, direct action.

Again, it is various in its modalities, according to whether the attack is more expressly directed against the capitalists or against the State. Against the latter, direct action materializes itself

under form of external pressure, while against the employer, the common methods are the strike, boycott and sabotage.

3. Finally, the democratic parties, the socialist parties included, wish to grasp political power, and among the means for arriving at that solution, include parliamentary action. The C. G. T., on the contrary, does not conduct its struggle against the government on the parliamentary field:

And that because syndicalism does not look to a simple modification of the governmental personnel, but rather to a reduction of the State to zero, by transplanting into the syndicalist organs the few useful functions which keep up the illusion of the value of government, and by suppressing the others purely and simply. (Page 45.)

And the method of action which will permit the working class to carry through this work—that of general emancipation—is the logical culmination of its grouping on the economic field and of the conceptions arising from this. It has its expression in the idea of the general strike:

The general strike is the material break between the proletariat and the bourgeoisie, preceded by the moral and ideological break involved in the affirmation of the autonomy of the working class. This class, after having proclaimed that it bears within itself all the real elements of social life, having acquired the vigor and the consciousness necessary to impose its will, will proceed to action, by refusing to produce for the capitalist class, and this decisive revolt will be the general strike.

This refusal to continue production on the capitalist plan will not be purely negative: it will coincide with the seizure of the social machinery and a reorganization on the communist plan accomplished by the social assemblies which the unions constitute. The syndicalist organisms, grown into the hearthstones of the new life, will break up and replace the hearthstones of the old life constituted by the State and the municipalities:

Thenceforth, the centers of cohesion will be the federations of industries, in the syndicalist unions, and to these organisms will revert the few useful functions that today devolve upon the public powers and the municipalities. (Page 48.)

As we said just now, there is nothing in this pamphlet of Pouget that is not a logical deduction from the premises of Sorel in "The Socialist Future of the Unions."

But while Sorel, in 1898, still maintained that his revolutionary syndicalism was nothing but the development of the anti-statist conceptions of Marxism, Pouget, an old-time anarchist, endeavors on the contrary to differentiate as clearly as possible revolutionary syndicalism from democratic socialism.

Perhaps in Griffuelhes, who has passed through socialism, or in Lagardelle, who has never ceased to be a member of the socialist party, the break

is not quite so clear. Nevertheless, the fundamental conception remains the same. Griffuelhes, like Pouget, sees in syndicalism the "reaction of the unions against democracy." And, on his side, Lagardelle, at the socialist Congress of Nancy (August 11-15, 1907) criticizes sharply the Marxian conception, re-stated by Guesde, of the conquest of political power:

Hubert Lagardelle.—There are two ways of conceiving this seizure of the State. The first, which is that of the reformist socialists, is the fragmentary and progressive method. It consists in saying: The day when we shall be one-half plus one in Parliament, when the majority of the districts shall be represented by a majority of socialist deputies; or again the day when, after having participated in various governments, we shall be able to constitute a government by ourselves,—on that day we shall bring about, through legislation, the social transformation.

Jules Guesde.—That is not my theory.

Hubert Lagardelle.—Then here is your theory, your universal and revolutionary method, which says: Let us conquer the State by a sudden attack, and once masters of its power, we shall impose the "impersonal dictatorship of the proletariat," we shall socialize the means of production and exchange, we shall decree the social revolution.

I say that these two conceptions are equally utopian because they give the coercive power of the State a creative value which it does not possess. Whether you operate according to the reformist fashion or according to the revolutionary fashion, whether you become the half-plus-one in the Chamber or whether you have taken the government by assault, you will not cause a completely constructed society to arise from one day to

the next. No matter what authority you have at your disposal, you will not give to the workers who vote for socialist candidates, or to the electors who for motives sometimes futile and intangible give you their support, the capacity to direct production and exchange. You will be the masters of the hour, you will wield all the power which yesterday belonged to the bourgeoisie, you will pile decree upon decree and law upon law, but you will work no miracle, and no blow you can strike will make the workers competent to replace the capitalists. In what, tell me, will the possession of power by certain men called political socialists have transformed the psychology of the masses, modified their sentiments, increased their aptitudes, created new rules of life, and made way for a society of free men to exist in place of a society of masters and slaves?

No, the transformation of the world does not depend on a simple change in governmental personnel. That would truly be too easy, and the march of history has other requirements. A social State is not born without long preparation, and it is here that syndicalism, with a more realistic conception of things, opposes to you what I call the socialism of institutions. It reminds the workers that no change will be possible until they shall have created with their own hands a complete mass of institutions destined to replace the institutions of the capitalists.

Such are, in short, the principal theses of revolutionary syndicalism.

It cannot be denied that they contain, at the very least, a kernel of truth.

By reacting against the tendencies of certain socialist parties toward too much politics, by showing that socialism should not devote itself too exclusively to the conquest of political power, by

insisting on the pre-eminent value of union activity, and by putting the working class on guard against the temptation of acting only through delegates, syndicalism has certainly done a useful work and has contributed in large measure, not to the decomposition of Marxism, but on the contrary, to a more exact comprehension of the fundamental ideas of Marxism.

Only, the syndicalists would be the first to protest, if we were to pretend to see in their doctrine merely a return to Marx, or even a simple revision—revision in the revolutionary sense—of Marxism.

When Sorel, in "*L'Avenir Socialiste des Syndicats*," wrote that the action of the proletariat confronting the State should be two-fold: to struggle to obtain social legislation favorable to its development; to use whatever influence it acquires "to strip the municipality and the State, one by one, of all their attributes, thereby to enrich the proletarian organisms in process of formation, namely, the industrial unions," his syndicalism practically repeats or comes near repeating what Marx and Engels had said long ago.

But he is already separating from them when he maintains that "the whole future of socialism dwells in the autonomous development of the industrial unions." And soon we shall find our-

selves very far from Marxism, when Pouget, Griffuelhes, Merrheim, pretend to reduce all proletarian action to syndicalist action alone, when they proclaim under all circumstances their contempt for the parliamentarians and politicians of the socialist parties, when they affirm their exclusive confidence in the action of conscious minorities, when they ridicule large memberships and high dues, when they oppose to the reformist or revolutionary idea of conquest of political power the idea of the general strike as the sole means of accomplishing the expropriation of the capitalists and of proceeding to social reorganization on the communist plan.

At this stage of development, the syndicalist doctrine has, so to speak, no longer anything in common with the conceptions of Marx and Engels. It borrows its principal elements from other sources. It has been profoundly influenced by libertarian theories. It sees in the abolition of the State no longer a final goal, but a near goal. It rejects or relegates to the background the action of the proletariat with a view to conquering political power.

And by this fact, it puts itself in opposition with the ruling ideas of the social democracy.

3. THE SOCIAL DEMOCRACY

Reformist socialism, retaining from the Com-

munist Manifesto nothing but its program for immediate realization, tends to degenerate into a State of socialism, dominated by parliamentary and electoral considerations.

Revolutionary syndicalism, on the contrary, pushing to extremes the anti-statism of Marx and Engels, retains only their final objective, the abolition of the State, and sees in the political action of the labor parties only an accessory or even a nuisance.

It is at once against this syndicalist exclusivism and this reformist exclusivism that the social democracy strives to react, by assigning to the workers a double objective: (1) the conquest of the State by the proletariat organized into political parties; (2) this conquest being accomplished, the abolition of the State as an organ of domination of one class over another, or, to repeat the expressions already quoted from Kautsky, "the transformation of present society into a great economic co-operative by the centralization of the means of production."

But inside the social democracy, we may point out notable divergencies as regards the manner of conceiving the conquest of the State, the seizure of political power.

Among the members of the International and of the parties affiliated with the International,

there are some, on the right, whose conception does not greatly differ from that of the independent socialists or reformists; there are others, on the left, who are on the contrary more or less close to revolutionary syndicalism; and between these two extremes, we find, more or less numerous in the various countries, under the names of "Marxians," "radicals," "revolutionary socialists," militants who strive to shape their action to the fundamental ideas developed in the Communist Manifesto and the other writings of Marx and Engels.

As a matter of fact, no lines of demarcation are clearly drawn between these three groups.

Among the socialists with reformist tendencies who adhere to the International, there is none, however enamored of electoral and parliamentary methods, who does not admit that, at a given moment, the conquest of political power may be the result of a revolutionary act or a series of revolutionary acts, and that, on the other hand, the direct action of the industrial unions may be a necessary adjunct to the action of the socialist parties.

Likewise, among the "revolutionaries," there are none who ignore the utility of parliamentary or syndicalist action.

As for the socialists with syndicalist tendencies,

from the moment they join the socialist party and the International, they must, by that very fact, admit the necessity of political action, whether reformist or revolutionary.

This was recognized by Hubert Lagardelle, for example, in the following terms in an article, "The Syndicalist Critique of Democracy," published in the *Mouvement Socialiste* in 1911.

In emphasizing the value of the industrial union, we have not denied the task of the socialist party. We have simply given it a limited role: to recognize the priority of labor organizations in the elaboration of socialist values and proclaim the relativity of its own task; then to limit its action to the field of pure politics, which syndicalism does not touch; finally, to reduce the power of the State, by reorganizing the public service on syndicalist foundations.

Such ideas, assuredly, do not go directly counter to the declarations of principles found in the programs of the various socialist parties. They do not prevent the socialists who "emphasize the value of the industrial union" from joining the same groups as other socialists who attach a greater importance to political action, in the sense of parliamentary action.

Nevertheless, it should not be ignored that from the point of view of principles, as well as of methods, there is somewhat of a margin between socialism thus conceived and the traditional socialism developed from the Communist Manifesto.

In order the better to understand this difference, again, it will be best to compare the arguments of Lagardelle with those of the French socialists who, under the influence of Jules Guesde, oppose most energetically the "syndicalist" tendencies, and glory in being the most faithful disciples of Marx and Engels.

Let us not forget, however, that more than half a century has passed since the Manifesto, that the unification of socialist forces in France is, as elsewhere, the result of theoretical and practical compromises between divergent tendencies; that, consequently, it becomes difficult today to oppose clearly Guesdism, the French adaptation of Marxism, either to the socialism with reformist tendencies, or to the socialism with syndicalist tendencies. On the contrary, the opposition of these tendencies becomes very clear when, going a few years back, as we have for syndicalism and reformism, we revert to the Declaration of Principles of the Parti Ouvrier Français, founded in 1880 by Guesde and Lafargue, under the direct inspiration and with the doctrinal collaboration of Marx and Engels.

In the theoretical preamble of this program, in which are found all the essential ideas of the Manifesto, it is affirmed that "the collective appropriation of the means of production (lands,

factories, ships, banks, credit, etc.), can proceed only from the revolutionary action of the productive class, of the proletariat organized as a distinct party," and that "such an organization must be striven for by all the means at the disposal of the proletariat, including universal suffrage, thus transformed from an instrument of dupery, which it has been until now, into an instrument of emancipation."

It is scarcely necessary to insist on the difference between this conception and those of syndicalist socialism or of reformist socialism, as well from the viewpoint of the goal to attain as of the means to employ.

First, as regards the seizure of political power, the founders of the Parti Ouvrier believed no more in the efficacy of the general strike, conceived as *the* means of accomplishing the social revolution, than in the gradual conquest of the State by the sole virtue of universal suffrage.

Moreover, they have not changed their opinion on this point.

A noteworthy declaration of Guesde is found in his discussion with Lagardelle at the Congress of Nancy in 1907:

Contrary to what some assert, I have never subordinated the emancipation of the proletariat to its electoral or legal accession to power.

Never have I led the workers to believe for a

moment, either in my general propaganda, or in my campaigns in support of the candidacies of my comrades, that the ballot could suffice to set them free; last year again, at Reims, during the whole electoral campaign I have been repeating that the elections are only a means for organizing the proletariat; they are its grand manoeuvres. Here it acquires a consciousness and a measure of its strength, at the same time that it is approaching the position to be captured, until, with a thrust of two, three, four millions of voters, full of confidence in itself, it gives the final push, exercising its right of insurrection, accomplishing its inevitable revolution. To this language I have held everywhere and always.¹

On the other hand, against the anti-statism of the syndicalists and the statism of the reformists, the Guesdists maintained, and still maintain, with more or less fanaticism, that:

1. The existence of public services in the present society, by the nationalization of certain monopolies, has nothing to do with socialism; that for the proletariat it presents far more disadvantages than advantages.

2. The inauguration of public services is subordinated to the socialization of the means of production and exchange, which itself is subordinated to the seizure of political power by the proletariat and the expropriation of the capitalist class, which means revolution.²

¹ Le parti socialiste et la Confédération générale du Travail, p. 39.

² Guesde, le Socialisme et les services publics, p. 20.

On this subject one should read the pamphlet written by Jules Guesde in October, 1883, from the prison of Sainte-Pelagie, against Brousse, Malon and other "possibilists" who advocated, within the structure of the present society, the nationalization of the railroads, mines and other monopolized industries.

Public services thus understood, he said in substance, have nothing to do with modern socialism. Rather than pursue the extension of these, there is ground for attacking those which exist and which constitute so many obstacles in the way of proletarian organization and action. If Germany has incorporated the railroads into the imperial State of the Hohenzollerns, it is in order to bring to its maximum power that machine for murder and pillage which, across the Vosges mountains, as everywhere, the army of passive obedience constitutes,—it is a strategic or military expedient. If France has been menaced for some time with a new public service, the telephones, it is because private telephoning makes a serious competition with State telegraphy, and because, moreover, it escapes that eagle eye which the capitalist State, master of telegraphs and posts, turns at pleasure upon our letters and messages,—it is an expedient both of the Treasury and the police. If the French submarine cables

have been laid and operated by the State, it is because, under the urgent need of binding to the Metropolis colonies which must not be left to themselves, our rulers could not extend the necessary time for completing this work to private enterprise,—it was a colonial expedient.

We can not even say, as some pretend, that the public services are at least fortunate expedients, that they will facilitate the expropriation of the ruling classes by the proletariat, that the more the bourgeois State shall have already accomplished in the way of public properties with its various services, so much the easier will be the task of the expropriators.

In the first place it is not true that *public* property results from the private industries annexed by the bourgeois State. In reverting to the present State, the industries do not lose their character of capitalist property, that is to say, of property from which the working class is excluded. From the property of such or such a capitalist, they become the property of the entire capitalist class.

In the second place, the extension of public services adds a direct increase to the bourgeois forces. The more industries the bourgeois State concentrates, the more individuals it binds to itself and interests in its preservation, if we in-

clude merely those, who, favored with better pay or higher station, must fear any change as a leap into the unknown.

Moreover, the progress of statization indirectly fortifies the enemy, by weakening the working class, whose movements it paralyzes.

Who is less free than the State laborer? Against the State, no struggle,—I do not say possible to win, but possible to engage in. The strike is without doubt nothing but a petty war. It can not lead to emancipation, because, not touching the principle of wages, it can not, even if victorious, do more than ameliorate the condition of the wage-workers, in a word, lighten their chains.

But the strike is an excellent field for manoeuvres: it creates at once labor solidarity and labor organization. It is a veritable school of war. And from this school of war is excluded all that part of the proletariat which the State immobilizes in its workshops. With the State for employer, the worker is doubly enslaved, because, held by his stomach, he is equally held by his collar. The closed shop re-enforces itself with the open prison, not to take into account that the State, with no bankruptcy to fear, in the case of persistent working-class demands, has no economic reason for yielding.

Under these conditions, far from pushing for the establishment of new public services, the proletariat ought to urge the suppression of the public services that exist. So decided the Congresses of Havre and of Roanne, inscribing in the program of the Parti Ouvrier the following article: *Operation of State factories to be entrusted to the laborers who work in them.*

Let the Bismarcks and the bourgeois republicans strive on the contrary to multiply what they call public services; they are in their proper role. So are the opportunist leaders who, inside the socialist movement to exploit it, have never seen in it anything but a roundabout way to impose themselves upon the bourgeoisie and to get political offices for themselves; but the Parti Ouvrier, that is to say, the class-conscious party of our proletariat, will remain faithful to its watchword:

"The revolution *first*, that is to say, the political and economic expropriation of the capitalist class; the public services *afterwards*, because, only after the fusion of classes into one class, that of the producers, will services really public be possible."

It is quite evident that socialism thus presented is clearly distinguished from statism.

Far from pushing to their development certain organs and functions of the State, under its present form, it opposes all transformation of private monopolies into State monopolies, all extension of public services within the structure of capitalist society; and even today, we see the Guesdists, and generally the strict Marxians, remaining more or less faithful to this line of conduct.

Thus for example in France the socialists who follow Jules Guesde pronounced formally, in 1909,

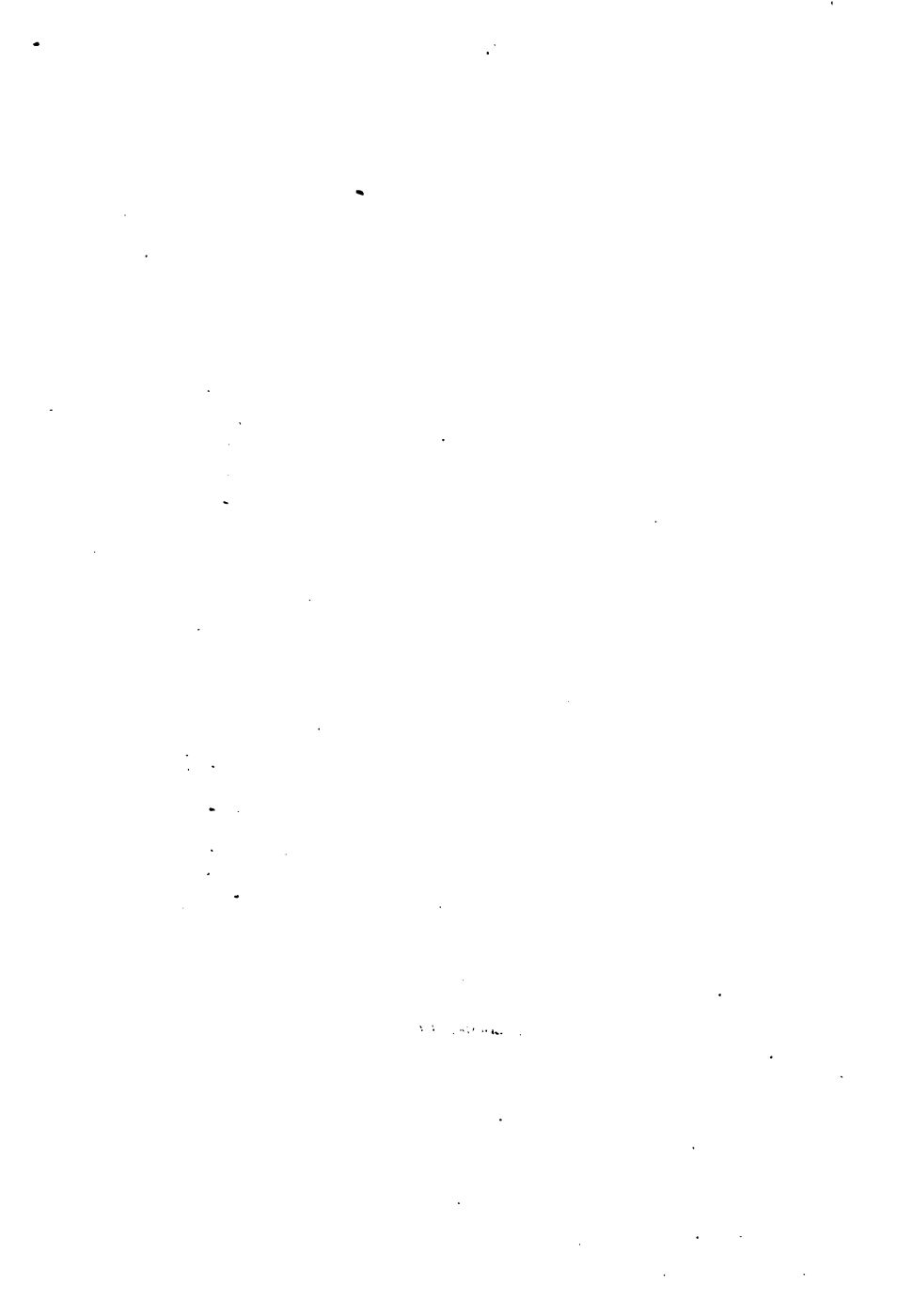
against the redemption of the West State railway.

But, in the democratic countries at least, the socialist parties for the most part have departed or tend to depart from their old uncompromising attitude.

They approve the immediate monopolization or nationalization of certain industries. They urge the seizure of the railroads, the mines, the sugar or petroleum refineries. They have given over waiting for the revolution to be first accomplished, before proceeding to partial extensions of the collective domain, and thenceforth, one may well inquire of himself whether there can still be a question of speaking of socialism versus the State,—whether one ought not to admit on the contrary that, little by little, democratic socialism, sliding over a dangerous precipice, tends to become a State socialism.

It is this that we propose to examine, inquiring in what measure, under the pressure of events, the primitive conception of Marxism is being modified, or must be modified, on these two essential points:

1. *The conquest of political power by the proletariat;*
2. *The transformation of present society into a "great economic co-operative by the socialization of the means of production."*



Socialism Versus the State

PART ONE

THE CONQUEST OF POLITICAL POWER

The idea of the proletarian conquest of political power presents itself, at its origin, under very simple forms.

This, for example, is how Engels describes at once the goal and the means of the revolution which the socialist proletariat is to accomplish :

Anarchy in social production will be replaced by the social and systematic regulation of production, taking into account the needs of the community as well as of each particular individual ; the mode of capitalist appropriation in which the product enslaves first its producer, then also its consumer will give way to a mode of distribution solidly founded on the nature of the modern means of production : on the one hand, direct social appropriation as means of maintaining and developing production ; on the other hand, direct individual appropriation as means of existence and enjoyment.

The capitalist mode of production, by progressively transforming the great majority of the people into proletarians, creates the force which, under penalty of death, is constrained to accomplish this revolution. By progressively transforming the principal means of production into State property, it indicates unmistakably the means for accomplishing this revolution. The proletariat grasps the power of the State, and first of all transforms the means of production into State property.

By that act, it abolishes itself as proletariat, it abolishes all class distinctions and class antagonisms, and at the same time also it abolishes the State as State.

We see that, in Engels' thought, the conquest of political power by the proletariat, that is to say, the social revolution, requires for its realization two preliminary conditions:

1. *The proletarianization of the great mass of the population;*

2. *Political action by the proletarian class, with a view to grasping the power of the State, thus becoming the ruling class.*

Of these two conditions, the former does not depend on the will of the workers. Without capitalism, no proletariat, and without proletariat, no socialism; consequently, the first question which arises is to know whether, really, in the most advanced countries, the proletariat constitutes, or tends to constitute, "the great majority of the population."

It would be going outside the limits of this study to justify, by complete statistical evidence, our affirmative answer on this point.

We have done this elsewhere,¹ and, for the rest, the great industrial census reports of recent years prove that in all the countries where capitalist production prevails, the number of wage-workers

¹ E. Vandervelde, *Le Collectivisme et l'Evolution industrielle*. Paris, Bibliotheque socialiste.

is increasing at the expense of the independent producers.

Even in a country like France, where the small bourgeoisie is still deeply rooted, the official statistics of 1906 estimates that, in the active population, 20,000,000 in round numbers, there are no more than 8,300,000 proprietors (men and women) against 11,700,000 wage-workers,—about two proprietors to three laborers,² and the proportion of the latter tends to increase.

Much more is this so in Germany, where capitalist evolution is far more accentuated. One may judge from the following figures:

*Active Population in Commerce, Manufactures,
Agriculture*

	Employers	Wage-workers	Proportion
1882.....	5,191,000	11,013,000	2.1
1895.....	5,474,000	13,438,000	2.5
1907.....	5,490,000	19,127,000	3.5

The number of proprietors, then, remains stationary; the number of wage-workers increases rapidly, and if the proletarianization of the laborers is not equally marked in all countries, there are some, even at present, like Saxony, Belgium, England, where one of the two preliminary conditions for the conquest of political power is already realized: the great majority of

² Introduction, par M. Fontaine, aux Conférences faites à l'Ecole des Hautes Etudes sociales sur la concentration des entreprises industrielles et commerciales. Paris, Alcan, 1913.

the people is composed of proletarians, manual or intellectual.

As for the other condition, it is enough to open one of the periodical Bulletins of the International Socialist Bureau to be convinced that wherever capitalism is deeply rooted, there exists henceforth, under the names of social-democracy, socialist party, Parti Ouvrier, Labour Party, etc., an organization composed mainly of proletarians who, following the ideas of Marx and Engels, take for their goal the conquest of the State by the political action of the working class.

That this political action may, or must, at a given moment, take a revolutionary form, using this word in the sense of a resort to force,—most socialists, if not all socialists, admit.

But in practice this does not prevent them from being unanimous in the opinion :

1. That the proletariat should strive to obtain universal suffrage applying to all elections, with political liberties to make possible its normal functioning.

2. That it should use the ballot, in order to penetrate the local, provincial or national assemblies with as many delegates as possible.

The establishment or the complete extension of universal suffrage is evidently no longer more than a question of time. It has lately been estab-

lished in Holland and Roumania. It will be tomorrow in Belgium, and after what has come about in Germany, where the Kaiser himself proclaims the necessity of doing away with the Prussian electoral system, no one doubts that within a few years democracy will triumph in all countries of European civilization; in law, if not in fact, the "sovereignty of the people" will be complete; the ancient thrones will no longer exist, unless in the form of decorative survivals; we shall see a general extension of the system already existing—with "conservative guarantees" whose importance will diminish—in France, in England, in the United States, in the English colonies, Australia or South Africa.

But it is not enough to have the ballot. There is also need of the knowledge and power to use it. Now it is precisely in the countries where the ancient thrones have most completely disappeared, where the forms of democracy are most completely realized, that the gravest doubts arise as to the efficacy of political action and the possibility for the proletariat of achieving by this method the conquest of power.

Who, in fact, in the countries where purely democratic forms exist, so to speak, would venture to characterize as false this description of modern political evolution given by Ostrogorski

in "La Democratie et les Partis Politiques," a book admirably fortified with references to original sources:

Going back to the starting point, we see the State in the hands of a class, and society, incarnated in this ruling class, dominating the individual by overwhelming him with all the weight of social, religious and political convention. But this triple tyranny yields and declines under the pressure of multiple forces of a moral and a material order. The enthusiasm of religious faith, which discloses itself to itself, the critique of reason which asserts itself triumphantly, the new engines of industry,—all unite to free the individual from his bonds. The autonomous individual is finally proclaimed sovereign in the State, and jealous of his new power, he seeks to gather directly to himself, as to their source, all relations of public order, constitutional as well as extra-constitutional. But, singular phenomenon, the more he advances the more he seems again to approach his point of departure.

In fact, we observe that the role of the individual in the State is reduced to a very small thing: he exercises but the shadow of the sovereignty so pompously and hypocritically ascribed to him; he has, in reality, no power over the choice of the men who govern in his name and by his authority; the Government is a monopoly: it is in the hands of a class which, without forming a caste, constitutes a group apart in society; often it is exercised by one man who leans on this class and enjoys the power of an autocrat despite the republican forms of the State. This yoke is borne by the great mass of society with indifference and passively, as in the former time when it was forbidden to concern itself with public affairs under penalty of being treated as in rebellion. The Government is put at the disposal of private interests in their enterprises against the general interest; legislation and administration are

bought and sold; public offices themselves are virtually put up at auction.

Under such conditions, democracy appears as an empty form, to which the capitalist class adapts itself as readily as to systems of restricted suffrage.

The causes of this situation are only too easy to determine: ignorance, credulity, passivity of the masses of the people; corruption practiced by professional politicians; resistance opposed by the rigid structure of the traditional parties to the birth and development of new political formations; demoralizing influence of a cheap press, sold out to capitalism; direct action of the bourgeois State on the functionaries who depend on it, on the children and young people who receive its instruction, on the soldiers shut in its barracks, on the faithful members of the churches which, in the interest of social conservation, it subsidizes.

But all these causes themselves carry us back, on final analysis, to a fundamental cause; this is, that in our democracies, even more than in countries less developed politically and economically, the real power belongs to the kings of finance, of industry, of the great landed property, and that, for the moment, the beginnings toward the conquest of political power by the proletariat are but

a trifle in presence of the achievement of *the conquest of the public powers by the capitalist class*.

How, by what means, has this conquest been made and how is it maintained? That is what we shall show, drawing our examples especially from the three great democracies of the contemporary world, the United States, England and France.

We shall next inquire whether, in the very hypothesis that the proletariat, in spite of the means of resistance of the capitalist class, succeeded in winning the majority, this victory would not be rendered inoperative by the *bankruptcy of parliamentarism*, the present decadence of which seems to presage its final burial.

CHAPTER I

THE CAPITALIST CONQUEST OF THE PUBLIC POWERS

In most countries, the establishment of universal suffrage has been the result, either of an insurrectional movement, as in France, or of a proletarian effort characterized by demonstrations, riots or political strikes, as in Belgium, Sweden, Austria and England.

Suddenly the bourgeoisie, until then solely invested with the ballot, saw itself despoiled of its privilege. A flood of new voters, belonging to all classes, submerged the landholding minority, and then, in the industrial countries at least, this problem confronted the rulers: How take control of universal suffrage? How arrive at this result, paradoxical in appearance, that in an electoral body where the class interest of the majority of the citizens is to emancipate themselves from capitalist rule, this rule shall be more than ever maintained and sometimes even consolidated?

Certainly, to realize this conquest, the capitalist minority has been obliged to reckon with other classes, to seek the alliance of the peasants and little bourgeois, to give its politics at least the

appearance of democracy, to interest in its plans the prestige and the political influence of the churches, and to increase by all methods the action of the "social authorities" upon the masses. But all this would not have sufficed if the masses themselves were not, in normal times, stubbornly conservative, instinctively hostile to all change, profoundly respectful of the established order.

This is what Ibsen has shown in a gripping way in his "Enemy of the People," and this is what an English publicist, Mr. Buchan, declared with undisguised satisfaction in an article in the *Fortnightly Review* (November, 1913), "Democracy and Representative Government":

Everyman is a pretty sagacious fellow. He is not the neurotic being, living in a whirl of elementary emotions, that some would have us picture him. He is, as a rule, much wiser, much more steadfast than his official interpreters. He has no jealousy of the State, but on the other hand he has no morbid craving for its attentions. He is not a doctrinaire, and he is eminently practical. I know him in my capacity as a tradesman offering him wares, and I have the utmost respect for his good sense. If you present him with fantastic schemes of change, he will be apt to reply as the Highlander replied to a certain Commission, which offered him a holding if he was prepared to keep some thirty official commandments—he declined on the ground that he could have the whole Kingdom of Heaven for keeping ten. At the same time, he is no anarchist, he is an obedient soul, and he has a strong respect for all reasonable laws. In his heart of hearts,

as Lord Hugh Cecil once said, he is "profoundly unrevolutionary."

Of all the "conservative guarantees" that the partisans of the present social system can ask against democracy, assuredly none is more efficacious than this conservatism, this hatred of the new, in the masses. Nevertheless, we willingly recognize—and but for this we should be indifferent to universal suffrage—that from the instant when an important fraction of the proletariat becomes conscious of its class interests, the bourgeoisie can no longer count exclusively on these moral factors, determined as they are by the economic conditions of the past.

So it puts into operation, with increasing energy, the various means of influence at its disposal, whether upon the electors or upon those elected by universal suffrage.

1. ACTION UPON THE VOTERS

By the very fact of their wealth the possessing classes have at their disposal a series of means of influence whose relative importance varies in the different countries. Chief among these are: corruption, direct or indirect; pressure exercised on voters by employers, landlords, charitable institutions, or again even by the State; the permanent action of the press; the methodical organization of voting masses, under the form of parties, dis-

posing of considerable resources furnished by the master class.

(a) *Corruption*

"To represent the Belgian people," said the newspaper *L'Indépendance* of June 19, 1908, "it is not necessary to have either intelligence or knowledge; it is necessary to have money. This is stupid, it is revolting, it is shameful, but it is so. The facts are there."

We are tempted to take this statement literally when we see that in Belgium, and still more in other countries, in spite of the poor forming the great majority, almost all the deputies are rich, or at least well-to-do.

Nevertheless, it would be a serious and undeserved insult to the poor if we were to attach excessive importance to direct corruption. We may take it for granted, on the contrary, that most people, in most districts, are not influenced by gifts or promises of money or food.

In Belgium, and in France, a few districts can be named, but only a few, where notoriously consciences are for sale.

In England, where formerly corruption was a constant plague of political life, the two traditional types of electoral corruption, bribery and treating, no longer have, since the extension of the franchise, the same development as formerly.

There are districts, especially in the "cathedral cities," where votes are bought at a tariff ranging from one shilling to ten. Often, also, beer is offered at a reduced price, on the eve of elections. But on the whole, these rudimentary forms of corruption no longer play any considerable role. They have given way to more disguised processes, which agree better with improved manners and the vast extension of the electoral body: presents are made to cities, gifts to all sorts of religious, charitable or sporting institutions; "smoking concerts," amusements, picnics, dances, "primrose league feasts" are organized; all this costs dearly and is within the reach of none but rich men or rich parties; but it is hard to maintain that this is corruption properly so-called.¹

In fact, the buying of votes, or distributions of beer and wine are not practiced wholesale and have no real influence except in a few rotten boroughs, in certain localities where receivers of charity are particularly numerous, and in countries where, as in the United States, the conditions of political and social life are more favorable than elsewhere to the development of corruption.

Before the civil war there were in the United

¹Ostrogorski, *La Démocratie et les Partis politiques*, édition 1912, p. 217 and following.

States only three or four cities, headed by New York, in which money was used to buy votes. But after the war, the increasing violence of party spirit and the extraordinary development of the spoils system made the corruption of voters a regular practice. The rapid growth of the cities, inevitably accompanied by the development of the proletariat and also of a semi-criminal class, the arrival of miserable emigrants from Europe and the extension of suffrage to the Negroes, had, on their side, increased the venal contingents. The entry upon the political stage of the trusts, and, in general, of the great industrial and financial interests, which sought to select for their own convenience the legislative, administrative and judicial officers, contributed largely to furnish the necessary funds for the purchase of votes.

In many parts of the Union, the electoral customs are pure enough, but in many others corruption is permanently established. And what is remarkable and somewhat surprising is that the cities are not the only or even the principal home of corruption. Even in the contaminated cities, corruption is not always individual, they buy the "workers," the petty "leaders," who exercise an irresistible influence over a certain number of poor voters and make them vote according to their command without paying them regularly the price of their votes. The parties often obtain, almost in the same manner, the votes of the members of the labor unions: the leaders "sell out" to the parties, without

the laborers suspecting it. The city electors who sell their votes deliberately belong, for the most part, to the dregs of the population. The most shameless venality is often found in the rural districts, notably in New England, inhabited by the descendants of the Puritans. Votes are sold there openly as at market; they are quoted regularly at fixed prices. And it is not merely the wretchedly poor who traffic in their votes, but very comfortable farmers, of American stock, pious people who go to church every Sunday. In some rural districts, a quarter or a third of the electors sell their votes. (Ostrogorski.)

Note, however, that in recent years things have improved, due to the electoral reform assuring secret voting, known as the Australian Ballot.

The public market for votes held in New York and other large cities has disappeared. Good order prevails at elections. In certain places, the parties agree to abstain from corrupt practices.

(b) Coercion

There is perhaps no country where, on the day after an electoral battle, the vanquished parties do not attribute their defeat to acts of coercion of which the adversary is guilty.

In Belgium, for example, the parliamentary annals are full of such accusations.

Whether it is a question of municipal or of legislative elections, liberals and catholics mutually accuse one another of having, by illicit means, influenced the votes of their laborers, their tenants, or again of unfortunates receiving public

or private charity, or finally of employes and functionaries dependent on them.

Such doings, certainly, can have no great effect in the cities, but it is otherwise in certain industrial neighborhoods where a big employer makes the laws, and especially in the rural districts.

Nothing is more sadly instructive on this subject than the debate that occurred in the Belgian Chamber in July, 1912, on the validity of the elections in the district of Nivelles. A liberal deputy, M. Jourez, had described in these impressive terms what he called "landlord pressure":

In this sort of fraud, there is no outlay on the part of the corruptor. It is enough, for him who would dictate how men shall vote, to have or even merely to be administering landed property, and finally, to add to these rare gifts a little audacity.

This system of fraud, moreover, is practiced in an interesting little world of which a few words need to be said. It is not a rich world, often poor, still attached to its native soil, resisting the seduction of the city octopus. Like his father and often his grandfather, the little cultivator lives on his land, which does not belong to him, but which he considers somewhat as if it did. Never or very rarely does he hear of the real master, that is of the proprietor, whom he knows slightly if at all. He thinks of him only at the feast of Saint André, when leases are signed. If he attends to his business, this date will trouble him little. But the time that the master of the land reveals himself (understand of course that this master is of the clerical party) is on election day. This day has often been a tragical one for people bound to the land, for

it is then that the proprietor or his agent looms up before the little tenant and tells him: "Today you have to choose between your interests and what your conscience dictates, you are going to vote as I think best and as I wish, or I will take your land away. You will have to leave this land on which you were reared, where your forefathers have lived."

And then, this unfortunate who thinks of his wife and of his children whom he must feed, while perhaps professing a political opinion contrary to that of his landlord, bows before this will stronger than his. He hides deep down in his heart his feelings of revolt. He marches! But if his conscience is stronger than his interests, it resumes its rights to liberty, and then, because he refuses to be enslaved, and does not march, they crush him. (*Annales parlementaires*, 1912, p. 185.)

These facts were scarcely contested by the opponents of M. Jourez. They merely replied that the liberals acted in the same way, that they bought land to lease it to the electors who voted right, and that on the whole they were as little qualified as possible to pose as defenders of the liberty of the weak.

We do not propose to inquire as to the extent of the truth in these reciprocal accusations. In such matters, legal proof is generally difficult to find, and, moreover, acts of direct and punishable coercion are, on the whole, a very small thing compared with the indirect and non-punishable pressure exercised in all countries by the heads of industries, the landlords, the superintendents of charity bureaux, the members of charitable

societies, and the high officials, over the people who become dependent on them.

Consider, indeed, the enormous percentage represented in the electoral body by laborers who would have trouble, in case of dismissal, to find another job, by tenant farmers who are afraid of losing their holdings when their leases expire, or who have no written lease, by unfortunates who find themselves in the power of the overseers of the poor or of the visitors from the Catholic charitable societies, and by government employes and officials whose advancement is subject to the good pleasure of their superiors. Perhaps this does not go to the point of forbidding them to vote as they like,—something which the secret ballot may render difficult, if not impossible,—but they are forbidden to go into politics, or to receive certain newspapers, or, if they have a little tavern, to put rooms at the disposal of propagandists of the party they might prefer; and altogether, it is possible thus to crush in the egg—wherever these influences are not counteracted—any movement which might tend to emancipate the workers.

What this dependence of the poor may be, especially in rural districts where the clergy and the landed proprietors work together, may be judged by this extract from a pamphlet written by a

Belgian Catholic, in the form of an open letter to Mgr. Mercier, cardinal archbishop of Malines:

When oppression results from the fraternal accord of the ecclesiastical authority with the powers of gold, with the armies of the land and of the feudal past, that is the regime of Pharisaism.

In no part of Belgium has this lamentable league of the castle and the altar produced more disastrous consequences than in the province of Namur, where the Administration is resolutely theocratic. Here it is systematically based on servitude. Here the money-lenders of the Powers dictate their sovereign wills to their beneficiaries, who are but persons interposed, the pensioners of the system. Everything, public or private, that attempt a show of resistance, is boycotted and despoiled administratively of its most sacred rights: it is outlawed. Pitiless demands are made on the small and the humble, by the same title and by the same means of pressure, with the practice of religion, homage to the priest, and low servilities, homage to the lord of the manor. Nowhere is the poor more despised and the worker less honored.¹

All who know our country districts will recognize the truth of this picture.

(c) *The Press*

"In a democracy," said Montesquieu, "institutions are worth no more than the public opinion that controls them."

Now public opinion is, in great part, made by the press, and except in a few countries where a powerful labor organization exists, the press is

¹ Stephane, *Le Projet Poulet*, p. 24. Bruxelles, Lebégue, 1913.

almost wholly in the hands of the capitalist class.

Formerly, a newspaper was an enterprise essentially political. Certain men associated themselves for the defense of an idea or for the conquest of power. They founded a daily, an instrument of propaganda or combat. They did not seek to make profits from the sale of their sheet. Journalism had nothing in common with business.

Within some thirty years, all has changed. No doubt, there are always some political papers, depending more or less on party organizations, but more and more we see the development in all countries of a new press, cheap and widely circulated. It declares itself "independent," but it is really the servant of the business men who direct it, own it or subsidize it.

Here again we observe, as far as power is concerned, an apparent democratization of the organs of opinion, and an actual seizure of these by the plutocracy.

This evolution was long ago accomplished in the United States. It has even provoked such scandals that the influence of the press tends to decrease, and the intellectual leadership has passed, for the "better element," to the magazines and the weekly and monthly reviews.

It would certainly be exaggerating to claim that the situation was as bad in England, where,

however, within the last few years most of the newspapers have been bought by financiers or syndicates of wealthy men,¹ but it is perhaps in France that the abuses are most flagrant, and the organization of the press most detestable. Delaisi, in "La Démocratie et les Financiers,"² and with more precision and exactness André Morizet, in a pamphlet published in 1912, "Why We Need a Powerful Press," have clearly shown in fact, that lacking a maximum sale, as in the case with almost all radical sheets, or by reason of expenses so high that no sale, however, enormous, could cover them, as is the case with the great newspapers—most French journals are obliged, in order to live, to count on their "publicity," to accept secret funds, to assist in floating the securities of the big banks, not to speak of unclean messes such as receiving subsidies for undertaking private campaigns, masked under a pretext of public utility or patriotism, or better still to maintain a silence as of the tomb on questions that an honest press ought to raise.

It is easy to imagine what, under these conditions, must be the influence upon universal suffrage of a press which, to quote the words of Jaurès on the N'Goko Sanga scandal, "through

¹ Ostrogorski, edition of 1912, p. 182.

² Page 145 and following.

the organs of all parties strikes the same note at the same hour, discredits or exalts the same enterprises, and pushes all opinions like a flock of sheep along the same road."

This influence, which is still enormous, would be limitless, if the public had not learned to mistrust the tendency campaigns of the "big papers," and if, despite the insufficiency of their circulation, the labor and socialist papers were not sometimes in a position to check them. It should be added that, in many countries, and notably in France, the press of the smaller cities, less contaminated, possesses a political influence greater, perhaps, than the press of the capital.

(d) *The Methodical Organization of
the Voting Masses*

Aside from the people who are bought, intimidated or deceived, there are others who are enrolled in the traditional parties, and who consequently remain faithful to them, through habit, through conservatism, through fear also that the creation of new parties might help their opponents. This in part explains, for example, the survival in the United States of two parties, two "machines," which differ very little in their programs, and which are both made up of elements absolutely heterogeneous.

The same situation, under other forms, exists in France, where the political labels—republican, radical, radical-socialist, independent socialist—have little meaning.

It is the same, although to a less degree, in England, where Ostrogorski characterizes in these terms the degeneracy of the two great

Scarcely distinguishable from each other by their principles and by their methods, the parties contend, first and last, for power. Their leaders, some of whom are men of great talent and executive ability, can not nevertheless act like statesmen, even if they have it in them; they have not and can not have a definite harmony of ideas, nor a determined and consecutive policy. Their supreme concern is momentary party advantage. Their programs are constructed above all for the needs of the war that the parties wage on each other; apart from the problems really arising from the national life, others are introduced in order to play with them, head or tail. The current phrase "the party game" is in fact a key to the predominant character of their combats. Not that the leaders and their partisans, the great majority at least, lack convictions and sincerity, but the eager pursuit of party success disguises them so well that often it is impossible to distinguish whether this success is a means or an end.

Under these conditions, it is inevitable that to win success, the parties, reduced in a way to the status of machines, substitute for the propaganda of ideas the processes of advertising which are used in the business world. But these advertising processes come high. It is necessary to put up,

on all the walls of the city or the country districts, innumerable posters, to print and carry to the homes professions of political faith, circulars, portraits, biographies, to have a newspaper to defend their ideas and insult their adversaries, to hold meetings, rent halls, support a whole army of ward workers, bill posters, and electoral agents.

Delaisi¹ estimates the average expense of an election in France at 50,000 francs. In England and the United States it costs more, since, independently of election expenses properly so called, campaign advertising plays a part much more considerable and ever increasing. For some time, Ostrogorski tells us, the campaign period in England has been marked by a veritable poster debauch. It is a sort of steeplechase, between the rival candidates, as to who shall cover and recover the most walls with posters. The more numerous a candidate's posters, the greater is the impression he produces upon the crowd. If, on the contrary, a candidate wearies of the game, it must be supposed that he has lost confidence in his cause, or, which is more serious, that he has exhausted his bank roll. And naturally, these posters are much less for instructing and convincing the voters than

¹ *La Démocratie et les Financiers*.

to stun them, to hypnotize them, to give them the illusion of power and superior numbers.

In the United States, as every one knows, it is worse still.

To manifest enthusiasm, or to provoke it, the "workers" of the different parties resort to an assortment of methods which they themselves designate under the name of "the Chinese business": mass meetings, with musical interludes, fireworks, torchlight processions, cavalcades with horses and bicycles, aquatic parades with hundreds of vessels ranged in file, and processions where sometimes more than 100,000 men march past some high personage of the party, headed by the candidates themselves, with music, flags and banners.

It goes without saying that campaign advertising, when it reaches such proportions, is possible only for the parties supported by very rich people. And naturally, these subsidize only parties from which they have something to expect for the defense of their class interests or even their private interests.

The role played in France by the great committees of Paris is well known, for example the famous "Comité Mascuraud"; or again in England, the brewers, who are, with the great landed proprietors, the principal support of the Conserv-

active party, while the newly-rich, aspiring to nobility, are the most generous contributors to the funds of the Liberal party.

In the United States, the dependence of the politicians on capitalism is still more flagrant.

Gifts from private persons, Ostrogorski¹ tells us, furnish a very considerable part of the campaign funds. In most cases, this is pure speculation, an investment of money which, later on, may return much in the way of favors. The representatives of the big industrial or financial interests, the corporations or the individual capitalists, by a heavy contribution to the campaign funds, obtain a sort of mortgage on future administration or legislation. The sums given by corporations, secretly be it understood, for the presidential campaigns of 1896-1904, furnished an enormous corruption fund which was duly expended. It is estimated that in 1896 the national Republican chairman had at his disposal a war chest of \$7,000,000; in 1900, \$3,500,000; in 1904, \$3,000,000.

The revelations made after the presidential campaign of 1904 excited public opinion against contributions from corporations. Laws were enacted. The scandal itself was a healthy sign. The last presidential campaigns were conducted more scrupulously. But the interests at stake are too considerable for the ruling classes to omit employing, more or less openly, the means of action at their disposal for influencing voters.

To recapitulate, the possessing minorities have powerful methods, legal or illegal, to neutralize

¹ Page 473.

or turn in their favor the "force of numbers." They have on their side tradition, the prestige of "social authorities," experience in affairs, the superiority of knowing how. They hold the poor through the church, through the school, through the charitable societies, by a thousand ties of interest or fear. They can boycott the merchants who think evil, discharge the laborers who make a show of independence, evict the tenants who dare oppose them. They have an all-powerful press. They dominate the old parties, which need their money to live on. And, under these conditions, wherever these methods of control are not checked by powerful labor organizations, they preserve, under the system of universal suffrage, almost the same preponderance as under the system of restricted suffrage.

But, in proportion as their traditional influence decreases, they are obliged to resort to cruder or more dishonest methods to maintain their dominance.

On the one hand, corruption and coercion, direct, and especially indirect, play a role more or less important; on the other hand certain bourgeois parties, although worn out, decomposed and made up of heterogeneous elements, make up for their lack of a program by their art in opportunism and in the machinery of or-

ganization. Speaking of England, where, however, the political manners still pass as relatively good, Ostrogorski sketches this picture, by no means flattering, of the political contests:

All the party activity culminates in a campaign less for persuading than for hypnotizing the voters; it is nothing but a continuous appeal to the emotions. All the methods employed are a general conspiracy against the credulity of the voters; the parties compete in devices to surprise their innocence with falsehoods that would choke a trooper, with slanderous insinuations in words and pictures, with appeals to covetousness or fear, or by the vulgar display of corruption pure and simple. The captured voters are led to the polls like cattle, and victory is awarded not to the parties with the highest principles and the most beneficent laws to their credit, but to those with the most automobiles at their disposal.

The author declares, it is true, that the entrance on the field of the Labour Party has, within the limits of its action, improved these customs. But this action has as yet only a limited reach, and the fact remains that, in the present state of things, in spite of universal suffrage, in spite of the "sovereignty of the people," the real power in the electoral body belongs generally to the rich.

Moreover, even should this power escape them, they can re-conquer it by acting, no longer upon the electors, but upon the elected.

2. ACTION UPON THOSE ELECTED

Thanks to the power of control of the possessing classes over the electors, the three great democracies of the western world are governed by bourgeois parties.

But these parties call themselves radicals or democrats. They are obliged to reckon with the working class. It is sometimes even impossible for them to form a parliamentary majority without the representatives of the proletariat. To survive, they are obliged to put through certain reforms, to repress certain abuses, to attack certain class privileges, and no doubt they would do far more toward equalizing conditions if, to the influences that capitalism exercises upon the voters, there were not added the influences that it operates upon those elected and upon the governments.

This action, naturally, is not so apparent. It can not be really effective without disguising itself. Nevertheless, its results can be guessed. It is discovered, by studying the relations which exist between politics and industry or finance. It is seen, too often, brought into the light of day by scandalous affairs, which expose the cynicism of the capitalists and tarnish the reputation of the politicians.

Moreover, to penetrate this underworld of democratic politics, we have guides. Here again, Ostrogorski's book "*La Démocratie et les Partis politiques*" is still the principal source of information. But it can be supplemented to advantage by these two other books, one of which we have already quoted: Delaisi, "*La Démocratie et les Financiers*," for France, and for England: Bellock and Chesterton, "*The Party System*."

a. United States

After having shown how in the United States the bourgeois parties, dominated by the money interests, are almost always directed by what is called the "machine," a hierarchy with mercenary foundations, of professional politicians headed by a "boss,"—Ostrogorski describes in these terms the action of the machines—State machines or municipal machines—upon those elected by universal suffrage:

In every legislative assembly, the machine "owns" a certain number of members whose election expenses it has paid. . . . Some legislators sell themselves. Others, and these are more numerous, honest people from country districts, yield through weakness.

It goes without saying that most of the time the "boss" and other "wire pullers" and politicians are themselves merely instruments in the hands of the great railroad companies and other financial or industrial corporations.

During the last few years especially, the corrupted politicians who direct the political machines have been, in a way, subordinated, the retail business of corruption, without being suppressed, now plays only a secondary role; above the extra-constitutional government, which holds the parliamentary or municipal assemblies under its sway, stand no longer the boss or the political ring, but the magnates of high finance and big business. The capitalist conquest of the public powers is complete, as may be judged from this summary, made by Ostrogorski, of the situation in the two chambers of congress, in the state legislatures and in the municipal assemblies.

1. *Congress.* In the Senate, the great assembly of the States, there is no public spirit. It is rather a vast national exchange, with several "corners," for steel, cotton, lumber, oil, etc., with astute managers and adroit solicitors who have charge of all these private interests, pre-occupied with obtaining certain laws or with preventing their enactment. Business is their object and business methods are their methods: the legislative state is conducted on the principle "do ut des" (I give that you may give), each interest exacting its price for its support and obstructing the vote until it receives satisfaction.

The interests are not represented so amply

in the House as in the Senate; there are perhaps not more than a third of the members who represent private "interests"; but the others are looked after by means of the party discipline which makes them vote with their eyes shut.

2. *State Legislatures*. In the states dominated by the machine, and these are precisely the richest and the most advanced in capitalist concentration, the majority of the members of the legislature are merely the damned souls of the "boss," and at his demand they docilely grant to the rich industrial or financial companies all sorts of franchises.

3. *Municipalities*. The municipal councils are as a rule like the legislatures: filled with men elected by the corporation, or with "boodle aldermen," directly bought by them, they engage in the same exploits, and with the same disastrous results for the public fortune.

What corruption leaves undone, thoughtlessness and habits of waste accomplish. Affecting nearly half of the American population and its most important interests, the administration of cities furnishes the spectacle of the most complete fisaco of selective government in the United States. It would, however, be unjust not to point out that in recent years an effort has been made to improve the administration of the cities, and,

in a general way, to give deliberative assemblies a more healthful atmosphere.

In the course of the presidential campaign of 1912, President Wilson made certain interesting statements on this subject:

The people of the United States have made up their minds to do a healthy thing for both politics and big business. . . . They are going to open doors; they are going to let up blinds; they are going to drag sick things into the open air and into the light of the sun. They are going to organize a great hunt, and smoke certain animals out of their burrows. They are going to unearth the beast in the jungle in which when they hunted they were caught by the beast instead of catching him. They have determined, therefore, to take an axe and raze the jungle, and then see where the beast will find cover. . . .¹

No doubt, those are the words of a candidate, to which it would be wrong to attach too much importance. Nevertheless the tendency exists. Impartial observers—I have in mind for example President A. Lawrence Lowell of Harvard University²—call attention to it and hold that the Europeans may exaggerate the organic disorders of American legislative bodies.

But on the other hand they do not and cannot fail to recognize that at the present time the

¹ Woodrow Wilson, *The New Freedom*. New York, Doubleday, Page & Co., 1918, p. 116.

² Lowell, *Public Opinion and Popular Government*, p. 139. New York, Longmans, Green & Co., 1913.

great corporations exercise a formidable influence over the representative bodies, by the innumerable berths they can offer the relatives and friends of the "boss" and of the politicians dependent on him.

(b) England

In a country like England which has political traditions and well-established social divisions, the action which the money power can exercise upon the legislative and governmental personnel is not so direct, not so brutal, and on the other hand, not so necessary.

The Conservative party, when it is not in the majority, has at its disposal a powerful minority, singularly keen to defend its class interests. The Liberal party would be condemned to impotence, if the rich men who form its right wing refused their support. And in these two great bourgeois parties, the organization is so oligarchic that the American methods for operating on public opinion have not the same reasons for existence.

But what they do not do, dare not do, could not do directly, they do, to a certain extent, indirectly.

There seems to be no doubt, in fact, that, especially in the Liberal party, many members of parliament find themselves more or less depend-

ent upon the big capitalists who provide the party funds.

Through what mechanism?

To understand this, one should—allowing for evident exaggerations—read the curious little book by Bellock and Chesterton.¹

To believe our two authors—and Ostrogorski in his large work arrives at practically the same conclusions—modern England is not governed, as would appear, by the House of Commons, but by a group, or rather two groups, of directors—the “front benches”—who organize the government, under the supreme authority of the “leaders,” assisted by their “whips.”

To whom has passed (they ask) the power of the House of Commons? To a political committee for which there is no official name (since it acts in secret), but which may be called the Front Benches. This committee is not named by vote, by acclamation, or even by tacit consent. Its members do not owe their position to the will of the House nor to the will of the nation. It is chosen by a process of co-optation, and, for the most part, among the rich politicians and their creatures. It forms, in reality, a single body, and when its interests or its power are at stake, acts like a single man.

Assuredly, the “front benches” do not wield absolute power. They must take account of the aspirations of the masses, of the wishes of their party, of the opinions of the “rank and file” of

¹ *The Party System*. London, 1910.

their colleagues. But over these last at least the leaders exercise, through the intermediary of the whips, a considerable influence, not always resting solely on moral factors.

Elections, in fact, cost dear, and the local organizations of the parties are generally poor. To hold a seat in the House involves very heavy expenses, even today when members receive a salary.

Under these conditions, labor members aside, there are but three types of men who can normally enter the House of Commons: first, the rich men of a certain locality, who can indemnify the local organizations; second, rich men from outside, who can, by reason of the liberality expected from them, get themselves accepted by the Central Committee of the party; lastly, people relatively poor, who consent to be more or less the servants of the party and receive subsidies to a greater or less extent from the central treasury to defray their election expenses.

Now, the secret funds which keep this chest filled are at the complete disposal of the leaders, thus providing, in some sort, a material basis for their authority. These funds, which they sometimes try to increase by speculations more or less licit, come, for the most part, from the rich members of the party. But it is rarely that these

donors are moved, or solely moved, by enthusiasm for the good cause. They are more or less interested in assuring to themselves recognition from the supreme organizations of the party.

The money given is for them an investment. Some expect "safe seats" in the House, others honorific titles: that of knight, baron or even peer. The others, finally, like the great brewers who energetically support the Conservative party, count on the support of their political co-religionists, for the defense of their interests.

In what measure do these pecuniary interventions act upon those elected? This is rather hard to say, and certainly nothing happens in England that resembles, even remotely, the scandalous scenes sometimes enacted in certain legislatures of the United States. But the least to be said is that, the Conservative party being by definition the party of the *status quo*, the dependence of the Liberal party on a few rich men makes it timorous, retards its march on the path to democratic or social reforms, and, on the whole, Ostrogorski seems to pass an equitable judgment on English politics when he writes:

While making the greatest possible allowance for reservations and extensions, . . . we arrive at the conclusion that the Government of England, taken as it is with conflicting social and plutocratic influences, with its system of organized parties, with the supremacy

of executive power and the crushing bureaucracy, is not a government truly popular. It is a democracy directed by an oligarchy.

(c) *France*

Of all the great countries of Europe, France is undeniably the one whose institutions approach nearest to the democratic ideal.

All Frenchmen past the age of twenty-one are voters. The deputies, elected by a majority of the votes, levy taxes, make laws, control the acts of the Government, and can, by a vote of censure, overthrow it. The Senate, that great council of the communes of France, has itself an origin more or less democratic. The President of the Republic is a temporary constitutional sovereign, who reigns for seven years, but does not govern.

It seems under these conditions that nowhere should popular sovereignty be so effective. From the social viewpoint however, there are few assemblies so conservative as this Parliament of the Third Republic, which will have been the last in Europe to establish, under pressure of war, the progressive income tax.

Sir Charles Dilke, speaking one day of I know not what politician of his country, whom he reproached with being systematically hostile to every reform measure, said to me,—“He is as

conservative as a French radical." And in fact many of the deputies who sit in the Palais-Bourbon on the benches of the Left—whether they are called socialists, radical-socialists, radicals, democrats or progressives—have this in common, that their politics is essentially respectful toward everything that touches income, individual property, or capitalist monopolies.

This conservatism of the self-styled radical parties is due, of course, in great part, to the fact that France is an agricultural country, that a majority of the voters are proprietors, that the Revolution, by dividing the land, interested millions of peasants in the maintenance of the order which it established.

But these peasants, despite their numerical and social importance, are not the real masters of France.

In this country, where the greater capitalism is less developed than, for example, in England or Germany, its influence over the government is perhaps greater than anywhere else, because it meets less opposition.

The Bank of France, the Credit Foncier (land bank), the railroad companies, the captains of industry are not only economic powers, but political powers, which dominate the apparent masters of the democracy.

It is what Lamartine already foresaw in 1838 when he delivered his admirable address in the Chamber of Deputies, against the grant of railways to private companies.

There is a sentiment that has always powerfully moved me, in reading history or in observing events; it is horror of corporations, it is the incompatibility of sincere, progressive liberty with the existence of corporations in a State or in a civilization. What will it be, great God! when, according to your imprudent system you shall have established into collective interests and into industrial and financial corporations the innumerable stockholders of the five or six billions that the organization of the railroads will concentrate in the hands of its companies.

Change the tariffs then? But how will you change them? By the law. But who will vote the law? Stockholders in the majority. Take over the lines! But who will vote on this? Stockholders again. Then establish rival lines. But who will vote for these lines? Stockholders in the majority. Improve, complete, change the systems back of your lines! But who will vote on these improvements and extensions, demanded perhaps by the general interest of the country? Stockholders again. That is to say that you are mortgaging forever, at a single word, all competition, the future product, the future improvements of your entire territory. Vainly will the people demand, complain, accuse the authorities, they will and you will be, for quarter-centuries or half-centuries, in the power of the companies. To them you will subject the interests of the people and the general interests.

Never, perhaps, has social prophecy been so completely realized; and, naturally, what Lamar-

tine said of the railroad companies applies, *mutatis mutandis*, to the other great corporations that dominate the Republic.

We have seen that, to assure this administration, the capitalists act upon the electoral body, either having themselves elected when they can, or subsidizing, without much regard for appearances, the committees of politicians that offer them guarantees.

But furthermore they act directly on the deputies and the Government.

In Delaisi¹ will be found in detail, with names to confirm it, a statement of the means employed to have, in every group, liegemen who put their influence at the service of the great capitalist interests.

Observe, in the first place, apart from the deputies of business properly so called, who were in finance or industry before they were in politics, a certain number of politicians who have been bound to the interests by admitting them to one or to several boards of directors.

These business deputies of both groups are not numerous; including the senators, they are a hundred, at most, in the two Chambers. But they have a considerable influence over their col-

¹ La Démocratie et les Financiers, p. 76 et ~~seq.~~

leagues in the parliament. It is easy for them to make places in the offices of their companies for the sons, brothers, nephews or cousins of their poorer colleagues. They thus make for themselves in all parties a clientele of friends ready to pay with their votes and to carry them into power when the moment arrives.

Next come the deputies or senators who are corporation lawyers. Every industrial or financial corporation must have close at hand a General Counsel, who gives it advice, indicates methods of not infringing the law, when delicate matters are concerned, such as the formation of combines, trusts, mergers and other attempts at monopoly, and who, when necessary, plead for them in the courts. These functions are very well paid. There is usually a fixed salary, plus a high fee for each case in court. So these positions are much sought after.

Now, for the last fifteen years, the great industrial and financial corporations have been taking their attorneys preferably from among the members of parliament. It is of course understood that they do not employ the deputy or the senator, but the attorney, and if when the case comes up, this attorney, deputy or senator, adds to the weight of his legal talent that of his influence with the

government, that is a simple coincidence which only evil minds will criticise.

Corporation lawyers and capitalists, moreover, form only a small part of the total number of representatives. But they are generally leaders. Their experience or their talent adapt them for different tasks. In executing these, they demonstrate their capacity to fill cabinet positions, and after a few tests, if nothing happens to compromise or discredit them, they attain to power.

Is it surprising, in view of this, that the rulers of the Republic, incapable of surviving if they had the Bank and the press against them, escape from the control of the people and submit to control by the men of affairs?

Anatole France once asked a minister the causes of governmental powerlessness in the matter of reforms.

What would you have us do?—was the reply—the minister of finance is in the Credit Lyonnais, the minister of marine is in the Creusot company, the minister of war is in the "Commissions," etc.

We arrive on the whole at the conclusion that everywhere, in modern democracies, the real sovereignty belongs not to the people, but to parties dominated by the money power.

To remedy this situation, the dangers of which

he has pointed out with unusual force, Ostro-gorski proposes certain purely political solutions, as uncertain as they are insufficient.

Is not the solution, he says, of the problem raised by parties plainly indicated? Does it not consist in eliminating from our practice the use of rigid parties, permanent parties having power for its end, and in restoring and reserving to the party its essential character of a group of citizens, *especially formed in view of a definite political demand?*

We are as far as possible from this opinion. True, we may find that party concerns play far too considerable a role in our societies; it may be useful, as a counterpoise to this exclusive influence, to organize groups of citizens formed with a view to one definite demand. But how can one imagine that the creation of leagues of this kind would suffice to put an end to the reign of plutocracy, under the mask of party governments? The fact that permits capitalism to dominate the democracies, as well as the old governments, is that "wealth is power."

The only means to check it, and as a final result to expropriate it politically, is to oppose to its power, to oppose to the old parties which are merely its political expression, the power of the proletariat organized as a class party. But, will this power itself be sufficient? And supposing it

to be sufficient, is it not to be feared that the conquest of political power may be vain and impotent, by reason of the bankruptcy of parliamentarism? It is this that we shall now examine.

CHAPTER II

THE BANKRUPTCY OF PARLIAMENTARISM

Under this title, a few years ago, innumerable articles were published, and even those that attempted to defend the parliamentary system recognized that it is passing through a crisis, and ask themselves whether it will survive the circumstances which gave it birth.

In February, 1912, at the moment when the C. G. T. in France was particularly aggressive, and when the great transport workers' strikes had just marked the advent of new social forces in England, the *Revue Bleue*, of Paris, questioned a certain number of public men,—Paul Deschanel, Maxime Kowalewsky, Virgile Rossel, deputy of the Swiss National Council, and Emile Vandervelde—on the probable issue of the conflict, in several countries, between syndicalism and parliamentarism.

We wish to reprint here the critical part of our reply, on the subject of parliamentary government. To develop it would be useless. It deals with facts that every one can observe daily.

"What is this parliamentary government, arrived at the fullness of its developments?

"It is the system of government which has as its center of gravity an elected assembly the majority of which makes the laws, votes the budgets, decides—and this is essential—the fate of the ministers, intervenes, through them, in nominations for administrative and judicial offices,—which possesses, in a word, all the substance of power, apart from preserving, as forms, certain traditional institutions, reduced to a decorative status.

"This sovereign assembly, whether divided into two Chambers or not, is composed of some hundreds of men, who for the most part owe their election to, their local influence, their fortune, their popularity on good or bad grounds, rather than to their knowledge or political capacity,—all of which does not prevent them from being omnipotent and thus considered omniscient. Having to pronounce on all questions, they are presumed to know them all. And in fact, competent or incompetent, they do pronounce on them, whether they have a personal opinion more or less ripe, or whether they obey the order of certain leaders.

"For such a system to function, without resulting in bungling and impotence, it requires an

enlightened electorate, elected representatives having, with a healthy moral sense, experience in large affairs, an executive stabilized by party discipline, legislative problems not too numerous,—in short, a combination of conditions such as were found united, for the greater profit, by the way, of bourgeois egoism, at the time of the landlords' regime, under Louis Philippe or Leopold I. So it should not be surprising that, on the continent, their reign was the golden age of bourgeois parliamentarism.

"Today, on the contrary, is the iron age. We can not blind ourselves to the fact that, more and more, the conditions for the normal working of the system tend to disappear. The development of the functions and the interferences of the State, in all fields, multiplies indefinitely the questions to be solved, without any proportionate increase in the political capacity of the legislators. The multiplication, not to say the crumbling, of parties makes more difficult the establishment of parliamentary majorities grouped around stable ministries, and these difficulties, judging from the example of Belgium, will only increase under proportional representation. The elected representatives, when they are not business men working for their own interests, are almost wholly ignorant of all the complex gearings of modern

society, and serve the popular cause only by hollow formulas and legal phraseology. Finally, the electoral body, with its enormous dead weight of illiterates and incapables, justifies only too well this bitter word of P. J. Proudhon: 'In many cases the voters under universal suffrage have shown themselves inferior to the landholding electors of the July monarchy.'

"Certainly the machine runs, in spite of everything, because there are bureaux, commissions of specialists, and grand councils, which eat up work for the legislature; then there is the press, which supplements, to a certain extent, the flagrant insufficiency of the budget control; the machine runs, but with what friction, what jerks, what wastage of power, and also what deception for the popular masses, who had based such vast hopes and such high ambitions on universal suffrage.

"Oppressed by this deception, they do not see, they do not wish to see that parliamentary government, with all its faults, constitutes nevertheless an immense progress over the former systems; that if it is a very mediocre instrument of reform, it is still an efficacious means for preventing the abuses of power,—in short that, in the present state of things, if it did not exist, we should have to invent it.

"What they see, and how could they fail to see it?—is the lost time, the fruitless bustle of the lobbies, the miserable game of bidding for votes, the flood of petty neighborhood questions, the endless babble of legislators who wish to show their importance, and, inevitable consequence, the accumulation of unfinished parliamentary business, and the miscarriage of hoped-for reforms.

"True, the situation is not equally bad in all countries. Remedies can be found, or at least palliatives. But the fact remains that parliamentary government, which was equal to its task when it was merely the administrative council for the affairs of the bourgeoisie, is found powerless to solve all the problems, to face all the difficulties, that arise in a society on the road toward a revolutionary transformation.

"So no one should be surprised that the working class, more and more, understanding that it can not emancipate itself through representatives, counts before all else upon itself, resorts to direct action to stimulate, or to replace, the reformist activity of the parliaments, and, especially in the countries where parliamentarism has attained the maximum of discredit, attaches more importance to syndicalist and co-operative action than to political action."

CHAPTER III

PROLETARIAN ACTION

Crisis, decadence, perhaps bankruptcy of parliamentarism; capitalist conquest of the public powers; control by the possessing classes of the electors and of the elected; such are the results, all too apparent, of the democratic system *under its present form*.

On this statement, the democrats and the socialists, or at least such of them as refuse to take words at face value, are in accord with the opponents of democracy, syndicalists or traditionalists, like Maurras, Deherme, or Georges Sorel.¹

But, it must be said, divergences appear, when it comes to drawing conclusions.

We naturally pass by those who dream of reversing the machine, of substituting for elections that form of lottery called hereditary monarchy. For choosing the most competent rulers, we fail to understand in what respect the chance of generation is superior to the chance of lottery.

¹ See Guy-Grand, "Le Procès de la Démocratie." Paris, Colin, 1913.

We dismiss likewise those who would graft upon universal suffrage certain "conservative guarantees," such as plural voting, which would aggravate instead of diminishing the already excessive power of the ruling classes.

As a matter of fact, whether welcome or otherwise, every one understands today that wherever universal suffrage exists, and it exists almost everywhere, there can be no question of suppressing it. But if it can not be suppressed, it can be organized, or else, which is by no means the same thing, it can organize itself.

Those who wish to organize universal suffrage by an act of authority, a legislative act, are advocates of various systems designated under the name of representation of interests. All these systems have this in common, that they are essentially arbitrary, that they consolidate the positions gained by the possessing classes, that they give a legal sanction to the division of classes, and substitute artificial compartments for the spontaneous groups which incessantly arise from the transformations of the social life. They do not constitute progress. They are, on the contrary, an obvious retrogression.

But if we do not admit, if we will not at any price admit that universal suffrage should be

organized from above, we are, on the contrary, deeply convinced that it should organize itself.

From now on, it is striving to do this. In all countries, to facilitate the elaboration of laws, to aid the parliament in its legislative work, consulting commissions are being created, where the great interests can be advantageously represented to make their voices heard, when once the final decision rests with the national sovereignty. On the other hand, in the most advanced democracies, universal suffrage tends to replace deliberative assemblies on the greatest questions, through direct legislation. The representative system continues. The parliamentary system is on the way to disappear.

In Switzerland, for example, the Federal Council is not a ministry. It makes room among its members for the minority. It does not resign when its propositions are rejected. And, at least in serious questions, if the National Council and the Council of States discuss laws, they do not make them. The legislative power, first and last, belongs to the people themselves. They have the right of initiative. They can demand the referendum. They can at any moment, and on all questions, substitute themselves for the deliberative assemblies.

Such institutions, without doubt, have the future on their side.

But however developed and however perfect we may conceive them to be, they would still bring nothing but disillusion and deceptions to the proletariat, if it counted upon them alone to conquer real political power.

If this formidable power, the capitalist State, is first to be checked and later to be abolished, it is not enough that universal suffrage be organized. The workers must organize themselves under universal suffrage. They must, by the development of working-class organization, under all its forms, create a State within the State, whose growing power tends to substitute co-operative *management* for capitalist *domination*.

It is on this condition, and on this condition alone, that democracy ceases to be an illusion and a lie.

From the moment, in fact, that real labor unions exist, they can through their organization oppose an effective resistance to the effort of the capitalists to buy, intimidate, deceive and organize the voting masses.

In the second place, the action of the unions, and to a less degree, of the other groups, furnishes them the means for exercising from without an effective pressure upon the government.

Finally, it is in the labor organization itself that a new society is forming, that a new system of law is being elaborated, and that the proletariat is acquiring the preparation indispensable for substituting some day its auto-direction for the rule of the captains of industry and the magnates of capitalist society.

1. RESISTANCE TO CAPITALISM

There is on the whole, at the present time, a single political system in all the nations of western civilization. The political forms are diverse and changing. The proportions of power among the classes vary according to the industrial development and the groupings of interests arising from it. The condition of the workers is not everywhere equally bad, but everywhere the bourgeoisie alone, or in partnership with other classes that are declining, controls the government. It controls it because really, economically, intellectually, it is still the directing class. And that will not change, that can not change, until the day when the proletariat shall be sufficiently organized, economically and intellectually, to be in a position to substitute social production for capitalist production.

Meanwhile, it is all very well to be the most numerous class, to have the right to vote, to

possess the theoretical right to elect the parliamentary majority; the proletariat does not use this right, and if by any impossible chance it were to use it, that would merely give the world the spectacle of its impotence.

If moreover it had any inclination to stop voting for its masters, to deprive the possessing minorities of the support which they need in order to have a parliamentary majority, we have seen that by its money, by its press, by its "machine" inside the traditional parties, the bourgeoisie exercises enormous powers of influence upon the mass of the voters.

Under these conditions, democracy is and can be only a vain illusion, so long as the proletariat remains a dust-heap of individuals.

That is what the syndicalists constantly repeat, and on this point they are right. Even if electoral and parliamentary action alone could suffice to realize socialism—which we do not believe—this electoral and parliamentary action can not, in any case, be effective unless the working class organizes itself,—and not on the political field alone.

From this point of view, the Social-Democratic Party of Germany had, before the war, given examples from which we might have expected it to take a better attitude at the hour of trial.

To understand this, look through the report of the Parteivorstand at the Congress of Jena (1913). At that time there were nearly a million members (982,850) for the 397 electoral districts. The receipts of the central organization amounted to 1,469,000 marks; the expenditures to 1,075,000 marks. Ninety newspapers were under the control of the party, including the official organ, *Vorwaerts*, with 157,000 subscribers. The central educational bureau, founded seven years earlier, had at its disposal in 1913 for courses and meetings more than 700,000 marks.¹ In short, the party itself, from the viewpoint of financial resources, surpasses all the bourgeois parties. Its press can compete, in number of readers and in wealth of information, with the capitalist press. Its educational works are at once a complement and a corrective to the primary school. And if, among the four million voters and more in the Social Democracy, there are "*Mitlaufer*" who came into socialism through a simple spirit of opposition, still perhaps nowhere else can be found so many men with a clear and precise idea of the final aim to pursue. Moreover this party organization, without an equal in the word, would not have had, even from

¹ Bericht des Parteivorstandes an dem Parteitag zu Jena. Berlin, Vorwaerts, 1913.

the political viewpoint, the power that it possessed, if the great co-operatives of consumption affiliated with the wholesale co-operative at Hamburg, or the *Freie Gewerkschaften*, the independent unions, with their 2,500,000 adherents, not to speak of the compulsory insurance groups, had not made of the German working class an economic power with which the capitalists were obliged to reckon on a broad scale.

Why was all this force to be powerless, when it came to a choice for the German proletariat between revolt and complicity? Surely, in normal times at least, the force of the proletarian organization never lost an occasion to strengthen itself.

Perhaps some may remember, by way of example, the conflict that arose in 1914 between the Deutsche Bank and the Central Commission of Unions.

An employee of the Deutsche Bank, having accepted a position of trust in the Union of Bank Employees, was disciplined by the bank management. The association, identifying themselves with the employee in question, protested. But this protest would have had no grave consequences, if the Commission of Unions had not intervened in the affair. It threatened the bank, if the measure taken against the employee were not reversed and explicit guarantees given for

the future that it would withdraw the funds that it had on deposit. The bank refused, and more than 20,000,000 marks—the total deposits were from 80,000,000 to 100,000,000—were withdrawn to be entrusted to other banks more pliable in the face of union demands.

It is self-evident that against a working class with such a defensive organization at its disposal, the methods of corruption or pressure, resorted to in other situations, become wholly inapplicable.

One may buy or intimidate Irish or Italian immigrants lately arrived at New York or Buenos Ayres, Jewish garment workers of the East Side, Flemish or Neapolitan tenants, farm laborers in East Prussia, but nothing can prevent workers in whom the socialist ideal, organization and consciousness are fully developed from using the right to vote for the defense of their class interests.

Even from this point of view, then, it becomes clear that the social democracy could not entrench itself on the political field; could not be a party purely electoral and parliamentary, with the conquest of the State for its sole aim. To accomplish the conquest of the State, it must oppose to the organization of capitalist power the force of labor organization, with its co-operatives, its unions, its press, its educational institutions.

2. PRESSURE FROM WITHOUT

Ostrogorski, replying to those who say that the people is incapable of self-government, and that universal suffrage and parliamentarism are, consequently, an absurdity, subscribes to the first of these affirmations, but rejects the second:

The political function of the masses in a democracy, he says, is not to govern but to intimidate the governors. The real question, again, is to know whether and to what extent they are capable of intimidating. That the masses already possess in most democracies today the capacity to intimidate the governors seriously, is beyond question. It is thanks to this that actual progress has been realized in society; with good grace or ill, the governors are obliged to take account of the needs and aspirations of the people.

This intimidation of governments, this pressure from without exercised by the masses, does not necessarily imply that they be organized.

Mere dread of the voters, when a strong current in favor of a reform exists, may decide a conservative majority to make concessions.

So again with street demonstrations; the first "social laws" in Belgium were voted by chambers elected by landholders, under the impressions produced by the riots of March, 1886. In the phrase of a conservative writer, Father Vermeersch, the bourgeoisie then saw "by the light of conflagrations" that there was a social question.

It is by relying on theses of this sort that Sorel, in his "Reflections on Violence"¹ (1906), undertook to justify the methods of the militants of the C. G. T. For him, the determining factor in social politics is the poltroonery of the Government. The revolutionary syndicalists know this, and make excellent use of the situation. They teach the laborers that it is not a question of going to ask favors (from the government); but that they should take advantage of "bourgeois cowardice" to impose the will of the proletariat.

There are too many facts supporting this theory for it to fail of taking root in the labor world.

But in many cases, on the other hand, the event has shown that the workers would be making a grave mistake to count without limit on governmental or parliamentary weakness, and that direct action thus understood could not—quite apart from the question of legitimacy—yield more than limited results.

However, there is another form of direct action, which is not, at least not necessarily, accompanied by violence: it is the use by labor organizations, to obtain a political result, to exercise pressure on the government, of the

¹ Sorel, *Réflexions sur la Violence*. La Mouvement socialiste, 1906, vol. I, p. 81.

methods customary in economic conflicts. And naturally, this direct action is more effective in proportion as the working class is better organized.

It is possible at this date to cite many governmental or legislative interventions that have been determined by movements of this sort: the miners' strikes in France for the legal eight-hour day or the improvement of the pension system, the general strikes for the conquest of political liberties in Russia, for universal suffrage in Belgium and Sweden, or again the railroad and postoffice strikes in France, Austria, Holland and Italy.

But the typical case of a strike powerfully organized, culminating in the imposition upon the employing class, by legislative act, of a system of work to which it had refused to subscribe, is the great strike of the English miners in February and March, 1912, for a minimum wage.

On the eve of this memorable conflict, one of the leaders of the Federation of Miners, Hartsborn, said, in a speech addressed to the miners of South Wales:

The full strength of British democracy can not fail to obtain from the employers and the State the guarantee of a minimum wage for the industry. I predict that next week Friday (March 1), will mark the date of a new era in the history of this country. On that

day a million men will break their chains, when they declare with one voice that they will no more be slaves and that they will assert their right to be treated like freemen.

To carry through this great struggle, the 610,000 members of the various miners' unions had at their disposal a fund of 2,167,000 pounds sterling, about \$10,825,000, giving over \$18.00 per capita. Assuming that each miner had earned about this amount in the week before the strike, they had at their disposal an average of \$36.00 each, not counting the personal savings they might have made. But in fact, the fund not being held in common, the resources varied greatly from region to region.

Nevertheless the miners were in a position to hold out for several weeks, thus depriving the other industries of their "black bread." Thus, their simple decision to stop work if satisfaction were not obtained, determined the government to intervene with the employers, urging their consent to an amicable solution. The majority of the heads of enterprises promised to yield. Others declared themselves for resistance. An agreement failing, the strike was declared. A million strikers took part in it, and at the end of a few days, for lack of coal, other laborers, by hundreds of thousands, were thrown out of work.

Then to avoid greater disasters, the liberal government decided to regulate the matter by a legislative act. On March 19, 1912, Mr. Asquith introduced in the House of Commons the Coal Mines (minimum wage) bill, recognizing the principle of the minimum wage for the underground laborers of the coal mines.

This minimum was not fixed by law, but by Joint District Boards, composed half of representatives of the employers, half of representatives of the laborers, with an arbitrator to give the casting vote.

In a few days the bill passed through all the stages of parliamentary procedure, usually so lengthy. The labor members declared it insufficient, but they had no answer for Lloyd George when he said to them: "If you were sure that your opposition would cause the rejection of the bill, would you speak and vote against it?"

The Liberals, whose election in sixty-four districts depended on the miners' vote, supported Mr. Asquith with more or less enthusiasm. As for the Conservatives, they voted against it, and while making no serious effort to prevent the passage of the bill, they left it to Mr. Balfour to indicate the motives of the governmental initiative:

The position of the Government is like that of an

individual robbed in a dark street by a man of formidable aspect, and who might say to him: "My dear friend, it is not your terrible aspect nor your heavy club that make me give you my purse and my watch. Let me assure you, before we separate amicably, that I am grateful to you for having given me this opportunity to accomplish an act of tardy justice."

Describing the bill as "panic legislation," he added:

It is folly to encourage such acts by making all men believe that they can force the action of Parliament by such means. Tomorrow they will begin again from the same motive or others.

It remains to know what Mr. Balfour would have done, if he had been in Mr. Asquith's place.

It may help us guess, if we remember that the House of Lords, where his friends were in the majority, and where they still had the right of absolute veto, carefully refrained from obstructing the proposals of the Government.

We may differ, moreover, as to the value and importance of the results obtained, but, from the moral view-point, the victory of the miners was immense, and Mr. Balfour was right in saying that it would lead to further demands.

Everything indicates, in fact, that more and more in the future the laborers will resort to the organized strike, for obtaining legislative reforms, and that this pressure from without will tend to become an almost normal means of pre-

vailing over the inertia, the weakness and the ill will of bourgeois parliaments.

Nevertheless we may also foresee that, later on, the use of such methods will cease to be useful because the working class will be strong enough, either to dispense with protective legislation, or to legislate for itself, instead of constraining its masters to legislate for it.

3. THE FORMATION OF THE NEW SYSTEM

The unions and other labor groups have thus far appeared to us as the necessary sub-stratum of political action and the most effective means at the disposal of the proletariat for acting on governments and parliamentary majorities.

But from the view-point of the conquest of power, their development has an importance even greater, it is in fact through labor organization and in labor organization that the workers prepare themselves, by managing enterprises and administering free associations, to substitute themselves one day for the administrators and the captains of industry of the capitalist system.

To understand this immense subterranean labor, it is necessary to read such books as "*La Coutume Ouvriere*" by Maxime Leroy or "*Industrial Democracy*," by Sidney and Beatrice Webb.

As the Webbs point out so well, the organization of labor offers to the student of democracy the spectacle of a multitude of independent, autonomous republics, trying repeatedly all known political expedients, with a view to combining an efficient administration with popular control.

Whatever the system adopted, the organization remains democratic. The general assembly has the last word. But, when it comes to administering federations of unions, grouping thousands of members, or managing wholesale stores, like those of Hamburg, Manchester or Glasgow, they have quickly renounced the primitive forms of democracy, with nominations of managers for short terms, and direct intervention of the general assemblies in the smallest affairs. They create permanent functionaries. To them they delegate extended powers. These officials receive guarantees for the future. Salaries are assured them which make it possible to recruit an efficient force. And thus, in the union sphere, as in the co-operative or political sphere, is formed little by little a personnel of technicians and managers, who would be capable, if the need arose, of stepping into the places of the present capitalists.

Moreover, if this substitution took place, thousands of proletarian intellectuals today incorpo-

rated into the structure of private industry would have every motive of private interest for joining the new order.

Such a development, true, is still in its first stages. Nothing would expose the workers to more deceptions than to conceive an excessive idea of their political and industrial capacity. But it is the progressive acquirement of this capacity that gives all their importance to the various forms of labor organization. A new world is in course of creation, on the edge of bourgeois society and in opposition to it. It has its ethics, its discipline, its juridical institutions, its constitutional and civil rules. It constitutes, already, an immense federation, co-operative, unionist, political, whose closely-woven woof covers the entire world. And, just as the bourgeois revolution was not the application of an abstract doctrine, but the systematization of an organization already pre-existing in fact, so the conquest of power by the proletariat may be accompanied by victorious strokes or triumphant elections, but it will have as a preliminary condition, a condition *sine qua non*, the pre-existence of an organization capable of furnishing elements of direction and management within the new system.

Briefly, the conquest of power, thus understood, ceases to be confused, either with the

conquest of the parliamentary majority and the government by electoral action alone, or with the sudden seizure of the State by force. Before the workers can become the directing class, they must, having become through capitalistic evolution the great (or as the Communist Manifesto says the immense) majority of the population, add to their numerical power the power of organization, political and economic.

Now, that alone is enough to show how grossly deceived are those who maintain, with Leroy-Beaulieu, that socialism is statism, and that in a socialist system the various associations, the voluntary and free combinations would disappear, absorbed by the all-powerful and all-providing State.

Without the individual and collective "self-help" of the working class, without a vast organic development of the unions, of the co-operatives, of association under all its forms, it is not even possible to conceive of the seizure of political power by the workers, and after that, how can we believe that once masters of these powers, the toilers, destroying their work, would consent, as Leroy-Beaulieu predicts, to become once more human dust, and to abdicate into the hands of the police-State the power which by their free effort they had conquered.

4. THE PROLETARIAN CONQUEST OF POLITICAL POWER

It only remains to draw our conclusion.

What must we think of that schematic view of the social revolution, which is found constantly in Marx and Engels, from the Manifesto to the "Civil War in France": conquest of political power by the proletariat; collective dictatorship of the proletariat; abolition of the State?

(a) Conquest of Political Power By the Proletariat

It will be asked at the start whether the word proletariat has not too restricted a meaning, and if it is not better to say: conquest of political power by the workers, manual or intellectual?

In its usual sense the term proletariat indicates "people who are in indigence" (Hatzfeld and Darmesteter). Now all workers are not indigent, and at this point we must recognize that the expression is liable to be misunderstood. But this is not a question of terminology.

For Marx and Engels, the proletariat is "the modern working-class, a class of laborers, who live only so long as they find work, and who find work only so long as their labor increases capital."¹

¹ Communist Manifesto, page 21 Kerr edition.

These laborers, assuredly, are not the only laborers. But they are the only ones who have a direct, immediate, personal interest in emancipating themselves from capitalist domination. The intellectuals, the people of the liberal professions, may have sympathy for the proletarian cause. They may say that under a socialist system, as well as today, their capacities would find employment. And in fact, it is hard to imagine how, without the support, or at least the neutralization of these elements, or of a part of these elements, the proletariat can grasp the power of the State. Nevertheless, the history of every socialist movement—and even at the present hour, of Russia—shows that the real motive power of the social revolution, the class really agitating against capitalism, is certainly the working class. In view of this, we see no sufficient reasons for modifying the traditional terminology.

If it has been consecrated by usage, neither has it ceased to be enlarged by practice, and the affirmation of the proletarian, the labor character of the social democracy has been no obstacle to the recruiting of workers who are not, properly speaking, proletarians or laborers.

(b) *The Collective Dictatorship of
the Proletariat*

Marx and Engels foresaw that at a given

moment—following, for example, an international war—the workers, carried into power by events, will use this power to take away, little by little, from the bourgeoisie, all its capital, putting the means of production in the hands of the State. They say this in the Manifesto. Engels repeats it, in 1891, in the introduction to the German translation of “The Civil War in France”:

The State, he says, is neither more nor less than a machine for the oppression of one class by another, and that quite as much in a democratic republic as in a monarchy; and the least to be said is that it is a scourge which the proletariat inherits in its struggle for class domination; but of which it must, as the Commune did, and in the greatest measure possible, attenuate the most grievous effects, until the day when a new generation, reared in a new society of free and equal men, may rid itself of all governmental rubbish. The German Philistines are always plunged into holy terror at the words “dictatorship of the proletariat.” Would you know, gentlemen, what that dictatorship means? Look at the Paris Commune. There is the dictatorship of the proletariat.

Such indeed is, in substance, the idea commonly held in socialist circles of the social revolution: a new Commune, this time victorious, no longer at a single point, but in the principal centers of the capitalist world.

Hypothesis; but hypothesis with nothing improbable in it, in these times when it already appears that the after-war period in a number of

countries will bring class antagonisms and unheard-of social convulsions.

Only, if the defeat of the Paris Commune, not to speak of the difficulties of the Russian Revolution, proves anything, it is the impossibility of ending the capitalist system as long as the proletariat is not sufficiently prepared to exercise the power which circumstances might let fall into its hands.

Neither does Marx claim more. Witness this celebrated passage from "The Civil War in France":

The working class did not expect miracles from the Commune. They have no ready-made utopias to introduce *by order of the people*. They know that in order to work out their own emancipation, and along with it that higher form to which present society is irresistibly tending, by its own economical agencies, they will have to pass through long struggles, through a series of historic processes, transforming circumstances and men.

Consequently what matters to the proletariat is not to make prophecies, nor to discuss the prophecies of others on the hypothesis of its collective dictatorship, but to prepare itself, by the development of its organization, economic and political, to dominate events, whatever may happen.

Meanwhile it should be noted that the more this autonomous organization of the working class develops, the more profoundly must the primitive

and elementary conception of the proletarian dictatorship be modified.

As a matter of fact it seems undeniable that Engels and Marx, at least in the Manifesto, suppose that at a given moment the proletarians, donning the boots of the police-state, will appropriate the coercive powers created by the bourgeoisie, to govern against the bourgeoisie, that they will, in a word, to make the social revolution, utilize the instrument of rule forged by the master class to make revolution impossible. Now, with a proletariat powerfully organized, we may admit that it would be far less a question of utilizing the bourgeois State for other ends, than of substituting for it a new State which is, from now on, in process of formation in the great, trade-union, co-operative and political federations of the working class.

That does not mean, assuredly, that nothing ought to be preserved, even provisionally, of the old state-machine. But, to speak frankly, we have trouble in admitting that this instrument of domination and oppression can, without essential modifications, be used as a means of liberation and enfranchisement. Engels moreover admits this to a certain extent when he writes (see the introduction quoted above) that in the example of the Commune, the proletariat, heir to this

scourge, ought, while awaiting its complete abolition, "to attenuate, as far as possible, its most grievous effects."

(c) *Abolition of the State*

What is to be said?

If certain expressions are taken literally, it seems that in speaking of the abolition of the State, the Marxians foresee the passage, by a mutation more or less abrupt, from the proletarian dictatorship to anarchy, to the absence of government.

But consider more closely.

As we have said, the State, as the term is used by Marx and Engels, is not the State in the broad sense, the State, organ of management, the State, representing the general interests of society. It is the State-power, the State, organ of authority, the State, instrument of domination by one class over another.

In "The Civil War in France," for example, Marx opposes the "free federation of all men" to the State as "national power of capital over labor . . . , public force organized for social enslavement . . . , engine of class despotism."

Likewise, in "Anti-Duehring," Engels tells us that the State is the organization of the exploiting class at every epoch with a view to maintaining these exterior conditions of production, and

notably with a view to holding the exploited class by force within the conditions of oppression required by the existing mode of production (slavery, serfdom, wage-labor).

Once these definitions are admitted, the Marxian syllogism is logically unassailable:

1. The State is the organ of the domination of one class over another.

2. Now, socialism aims at the suppression of classes by the socialization of the means of production and exchange.

3. Thus socialism tends, by this very fact, to abolish the State.

All would thus be for the best if the Marxian sense of the word "State" did not differ from the usual sense. But as it does differ, misunderstandings and confusions may arise regarding the abolition of the State, as understood by Marxians.

It is therefore important to be definite and to say once more that if, in a socialist society, the State, organ of authority, saw its functions reduced to the minimum, the State, organ of administration, would continue to be the representative of the general interests of the community.

This necessary distinction will moreover be increasingly important, now that we are to discuss the socialization of the means of production.

PART TWO

THE SOCIALIZATION OF THE MEANS OF PRODUCTION

Even before the present war, which in the nature of things brought with it a prodigious development of statism, one of the characteristics of social evolution has been the considerable increase of the functions and the domain of the State. The old monopolies or fiscal domains, which not long ago were thought to be about to disappear—the tobacco monopoly in France for example, or the fiscal lands in Prussia—are not only preserved, but extended and developed. National forests are bought or created. The railroads are taken over. The rights of the nation over water power are proclaimed. Monopolies are established or projected in alcohol, as in Switzerland, in potash or petroleum, as in Hungary, not to speak of camphor, as in Japan, or radium, as in the United States.

We have said that a number of socialists, and also of adversaries of socialism, see in this progress of *statization* so many partial victories for collectivist ideas.

That is, to say the least, a manifest exaggeration.

tion. The truth is that in "statizing" certain industries, the governments as they existed before the war were obeying certain very complex considerations, of which some were military and fiscal, others social in their nature.

It is beyond doubt, for example, that in the larger countries, the State, in buying the railways, or in keeping a heavy hand on the companies, as in France, had in view especially the transportation of troops in case of war. It is no accident that the only countries in which the railroads remain wholly or almost wholly in private hands are England and the United States. Both of these countries, for various reasons, believed themselves dispensed from seeing, in their iron roads, means for attack or for defense.

But, independently of this direct influence, modern militarism exerts an indirect action, still more important, upon the development and multiplication of State monopolies. From year to year, up to the moment of the catastrophe, it has demanded new expenditures. Along with the burdens of the governments' social policy, the burdens of the armed peace have increased in such proportions, that the ordinary resources of the public treasuries no longer sufficed.

In the six principal countries of Europe, for example, the foreseen military expenditures, not

including those disguised in other budgets, amounted to the following figures in 1883 and in 1912:

Total Military Expenditures of the Six Great European Powers in 1883 and in 1912
(In millions of francs)

Country	Increase between		1883 and 1912	
	1883	1912	Millions	Per Cent
Germany	504	1,648	1,144	227.0
England	702	1,779	1,077	153.4
Austria-Hungary	318	674	356	111.9
France	789	1,343	554	70.2
Italy	311	649	338	108.6
Russia	894	1,920	1,026	114.8
Totals	3,518	8,013	4,495	127.7

To find these billions, which the enormous increase of public debts will multiply after the war, by resorting to taxes alone, becomes irksome and will become more and more irksome. Even before the war there were plans for fiscal monopolies. Those already existing were developed. Thereby results an extension of the collective domain, but it should be well understood that it is difficult to see in this phenomenon a triumph for socialist ideas.

Let us add however that, apart from the influences of a fiscal and military order, other factors have intervened, and will intervene more and more. It is not to secure revenue nor with a

view to preparing for war that the Belgian State and the Swiss State have bought the railways, that Switzerland wishes to nationalize insurance, that hydraulic power is being socialized almost everywhere, that national forestry is being extended, or that the Prussian State, which already possesses some coal mines, is trying to acquire more.

In proportion as the influence of socialism increases, as the mass of consumers becomes aware of the exploitation imposed by the capitalistic monopolies, the governments must appeal to other motives than fiscal ones for bringing new industries within the State's sphere of action.

Thus for example in the French Chamber, on November 19, 1909, the minister of finance, M. Cochery, on the day following certain monster meetings protesting against new taxes on alcohol, organized by the retailers of liquor, supported and encouraged by the big distillers, expressed himself in these terms:

M. Cochery, Minister of Finance: I shall not follow M. Guillemet into the parlors of the Tuileries, where he wished to conduct us the other day, to show us the splendor and luxury of a certain tobacco merchant, the revelation of which has been enough to determine Napoleon to establish the tobacco monopoly. I shall remain far more modern. I shall confine myself, while glancing over the altogether democratic meetings of 1909, to considering for a moment that formidable

money power, residing in certain manufacturers, that they have revealed to us, and I shall merely say: the problem of the alcohol monopoly, agitated for some years in the past, studied with ardor, then fallen into slumber, is re-awakened; its examination will follow shortly. (*Lively applause on the left and extreme left.*)

* * * * *

And before long the other problem will perhaps be raised; that of the consideration of the monopoly of insurance or of certain forms of insurance. (*Applause.*)

M. Lasies: It is only the moderates who play radical politics. However, I do not blame you for it.

The Minister of Finance: Monsieur Lasies, if the moderates sometimes play radical politics, it is because there are times when certain interests show in such a striking fashion their influence over the life of this country that men of good faith ask themselves whether this role really belongs to private interests. (*Applause on the left and the extreme left.*)¹

Even before the war it could be foreseen that in the near future the French State, which drew each year more than 300,000,000 francs from the tobacco monopoly, which manufactured matches (badly enough, by the way), which operated railways, made porcelains at Sèvres and tapestries at Gobelins, would also make itself an insurance agent and a producer or rectifier of alcohol.

But, in France as elsewhere, this tendency toward the statization of certain industries has been counteracted, thus far, by active opposition based

¹ *Journal officiel* du 20 novembre 1910, Débats parlementaires, p. 2794-2795.

on the disadvantages presented by State exploitation in its present form.

Certainly, in this matter, we can not be too distrustful of the deliberate exaggerations of those who have a direct interest in saying the worst possible things about the management of public enterprises.

Too often, in fact, public opinion in this matter is manufactured by a press whose "doctrinal publicity," to use the neat phrase of a French deputy, reflects with a systematic fidelity the opinion of the capitalists who wish to preserve their monopolies.

It will be remembered, for example, that the London Times published, a few years ago, a series of unsigned articles, emanating, it was said, from an impartial observer, against the municipal lighting systems in England. These articles made the tour of Europe. They furnish, even today, arguments for the opponents of municipalization. Now, a short time after their publication, it was learned that the "impartial observer" was the general manager of one of the big electric light and power companies of London.

In like manner we have seen a press campaign against the Western State Railway of France, very instructive for those who knew or guessed what was behind it.

As always happens, the Western Company, which had always been very badly managed, began to be managed worse still when it saw the government purchase coming. The rolling stock was not renewed, the maintenance of the railways was scandalously neglected. In short, when the State had taken it over, it found itself confronted with a situation such that any normal operation became impossible. This occasioned numerous accidents, chargeable, at least in part, to the vices of the former system, but affording material for so many propagandist indictments against operation by the State. When an accident took place on the lines operated by the companies, it was merely an incident; on the "West State" it became an argument.

As for the explanation of this attitude of a part of the press, it will be found, for lack of more recent documents, in the parliamentary inquiry made in 1895 by the French Chamber, with the aim of studying the moral conditions of the famous articles of agreement (between the State and the railways) of 1883, so justly characterized as nefarious.

In the course of the inquiry M. Carlier, general secretary of the Orleans Company, explained, that the six great companies had, long before, organized at their common expense a publicity

service for the defense of their interests, and on the subject of the expenses incurred by this service, he gave the following information :

The expense for the year 1880 was 520,000 francs for the six companies. That for 1881 was only 400,000 francs or a trifle more. In 1882, it was much heavier; that was the year of the campaign for government purchase against which the companies were struggling; the expense went up to 735,000 francs. The following year it was slightly less, 718,000 francs.

After the signing of the articles, constituting a treaty of peace, the expenditures diminished sharply; in 1884 they were still 450,000 francs, I believe, but in subsequent years the figures were much less.

* * * * *

For the last three years, I must say, since the strike of 1891, we have new questions which pre-occupy us; difficulties may arise on this field, over which the companies, you understand, ought to be anxious.¹

Is it surprising, after such confessions, that certain great newspapers show themselves so distinctly hostile both to the demands of the railway workers, and to the nationalization of the railways?

Nevertheless, after making allowance, and it should be a very large allowance, for exaggerations and falsehoods, the fact remains, at least in countries where the industrial State is confounded with the Government-State, that the

¹ V. Milhaud, *Le Rachat des Chemins de fer*, p. 22. Paris, Cornély, 1904.

present methods of operation of the public services give ground for absolutely just criticism.

True, monopoly for monopoly, it may be preferable, despite everything, to substitute the monopoly of the State for the monopoly of the great capitalist companies. But there is at least a germ of truth in the opinion of those who hold that the state is a bad merchant and a bad manufacturer, and who consequently dread to see, as a consequence of the progress of statization, the development of a sluggish, routine-bound bureaucracy; who rebel at the thought of seeing their individual initiative weakened, and who see a serious menace to liberty in the transformation of an ever-growing number of citizens into officials.

Only, we can not repeat often enough that it is not the State, as constituted today, to which the socialists would assign the collective proprietorship of the means of production and exchange.

In reality, all the misunderstandings that arise on this subject, all the confusions that possess people's minds proceed from the fact that the word State—with a capital S—can be taken in two very different senses.

If we consult, for example, Littré's dictionary, we shall find the following definitions of the

State: (1) a body of people; (2) the government of a country.

In the first sense—the body of the people—it is true that the socialists advocate the appropriation of the principal means of production by the State, with this reservation, however, that certain industries, notably the railways, tend to become international, and that others, having a local character, belong within the municipal sphere.

In the second sense, on the contrary—the government of a country—it is absolutely incorrect to say that the socialists wish to entrust the operation of the principal industries to the Government-State. The function of a government, in brief, is to govern, not to manage industrial enterprises, and to entrust functions of an economic order to a government is like placing a police officer in control of a lighting plant, or asking the commander of an army corps to busy himself with posts, telegraphs and railroads.

Unhappily, today, when the State administers an industry, it proceeds to a great extent in that very way: the police State, the military State, is not sufficiently distinct from the schoolmaster or industrial State. Their fundamental characters are the same. Their resources become intermingled. Their directing bodies, finally, are recruited according to the same rules.

When, for example, it is a question of choosing a general manager for the State railways, they do not summon a technician. It is a cabinet minister who is being appointed. The real rulers choose among men of political influence, among the parliamentarians in view, an attorney, a debating economist, and over night, they make of him the employer, the responsible head of the greatest industrial enterprise of the country.

Is it surprising, under these conditions, that the operation of the State railways leaves something to be desired? It is remarkable, on the contrary, that oftener than not, thanks to the high quality of its technical staff, it can, on a definite test, sustain a comparison with the better operated of the large companies.

But, in spite of the advantages which, at this time, the public administration of railways presents, there should be no question (and on this point we agree with Guesde) of extending this system of exploitation to most industries, of socializing the principal means of production and exchange, without first realizing the two following conditions:

1. *The transformation of the present State, organ of domination of one class over another, into what Menger calls the People's Labor State, by the proletarian conquest of political power.*

2. *The separation of the State, organ of authority, and the State, organ of management, or, to revive the expressions of Saint-Simon, the separation of the government of men from the administration of things.*

Of these two preliminary conditions, the former—after what we have already said—requires no extended comment.

So long, indeed, as the State remains what it is today, that is to say the bourgeois State, the capitalist State, the class State, founded on force, with its military armament against the enemy within and the enemy without, an armament as burdensome as it is formidable, any increase in its domain threatens to re-appear as an increase in the powers of oppression at the disposal of the master class.

If the State, for example, operates the railroads, the minister at the head of this public service has under his orders an army of officials, employees and laborers. If he treats them, from certain points of view, in a more satisfactory manner than do the private employers,—their positions are more permanent and their insurance funds generally afford better protection,—on the other hand he refuses them the right to strike, bargains with them for the right of association, forbids them to be active in politics, and strives

to exercise political pressure upon them at election time.

On the other hand, as the receipts from the public services are poured into the treasury of the Government, it procures, thanks to them, considerable resources, without being obliged to resort to taxes, and very often it devotes the greater part of these revenues to unproductive expenditure for the army and navy.

Thus for example, in Prussia, in the budget for 1909-1910, the net revenues for the properties and enterprises of the State were estimated as follows:

Administration of—	Marks
Crown lands.....	17,500,000
Forests	57,980,000
Mines, Iron-works, Salt-works.....	18,830,000
Railroads	276,090,000
Total	370,400,000

More than 370 millions of marks, more than four hundred million francs (\$80,000,000), of which the greater part served to build forts, to buy cannon, to launch dreadnoughts, to pay interest on a public debt incurred almost wholly for war or preparation for war.

So no one need be surprised that, under these conditions, the socialists of Prussia, and in a

general way the socialists of Germany,—I mean those who have not surrendered to imperialism—have always shown themselves far from enthusiastic for a fiscal collectivism, the development of which would have served, above all, to consolidate the personal power of the Kaiser and to fatten the budgets of the army or the navy.

They have already opposed the tobacco monopoly, proposed by Bismarck. They have not desired the nationalization of the Reichsbank or the statization of the grain trade. They have always been on the side of the liberals to check attempts which some wrongly imagine to be applications of the socialist idea.

True, this opposition to the State industries is weakening or is altogether disappearing, in countries like Switzerland, France and Belgium, where the personal power of a monarch does not exist, where parliamentary control is more effective, and where labor has more political power at its disposal.

But even in these countries, the positive advantages of government operation, for the posts, the telegraphs, the railroads for example, should not make us forget their disadvantages. In any case, no one can find it desirable that an unlimited increase of the number of functionaries go on

increasing the powers and the influence of the governments, which, however they may affect democratic appearances, are none the less the organs of the domination of one class over another.

So it is only when the workers and no longer the capitalists shall be the masters, when, once more to use Menger's expressions, the State of force shall have been replaced by the State of labor, that the advantages of the extension of the collective domain, at the expense of private monopolies, will outweigh, completely and finally, the disadvantages that are evident today.

But, if the conquest of political power by the workers is one of the conditions preliminary to the socialization of the means of production and exchange, it is not the only one.

Even then, in fact, if the Government-State should be in the hands of the workers, instead of being in the hands of the capitalists, it would remain none the less a government, which might, like its predecessors, abuse the powers and the resources assured to it by the exploitation of a domain enormously increased.

That is why the other condition, *sine qua non*, of the collective appropriation of the principal means of labor is the separation of the Government-State from the Industrial-State.

On the day, in fact, when that separation shall be accomplished, and on that day only, it will become possible to extend the sphere of action of the State, organ of management, without by that very fact increasing the powers of the State, organ of authority. Furthermore, it would become possible to restrict the powers of the State, organ of authority, while extending the sphere of action of the State, organ of management. And if in our thought we prolong these two tendencies, the ruling tendencies of the socialist movement, to their final conclusions, we shall come to a social system in which the functions of the State, organ of authority, are reduced to the minimum, while the functions of the State, organ of management, are carried to the maximum.

That is what Frederick Engels meant when, in his "Socialism, Utopian and Scientific," he described, in these terms, the proletarian revolution:

"The proletariat seizes the public power, and by means of this transforms the socialized means of production, slipping from the hands of the bourgeoisie, into public property. By this act, the proletariat frees the means of production from the character of capital they have thus far borne, and gives their socialized character complete freedom to work itself out. Socialized production upon a predetermined plan becomes thenceforth

possible. The development of production makes the existence of different classes of society thenceforth an anachronism. In proportion as anarchy in social production vanishes, the political authority of the State dies out. Man, at last the master of his own form of social organization, becomes at the same time the lord over Nature, his own master—free."

Certainly, we are still far from that final liberation, and at this time when militarism and the world-war menace the modern societies with bankruptcy, we witness, on the contrary, a simultaneous development of the authoritarian and the economic functions of the State.

But already, at the very least, three functions tend to differentiate themselves, and more and more, in proportion as the State industries and monopolies become more numerous, there is an attempt to increase their autonomy and to diminish their dependence upon the Government proper.

From the moment, indeed, that the State and the municipalities assume industrial functions of some importance, it becomes, to use Milhaud's expression, impossible to pour mechanically the nationalized or municipalized enterprises into the traditional molds of the municipal or national administrations, shaped for other needs.

can oppose the execution of any measure which might be contrary either to the law, or to the statutes, or to the interests of the municipalities or of the State.

It is interesting at this time to note that, among the persons consulted by Frère-Orban for the elaboration of this project, was the governor of the National Bank, Bischoffsheim, whom we find later among the initiators of another public corporation, the National Interurban Railway Company.

2. *The Savings and Annuity Bank*

Scarcely had the "Credit Communal" been founded when Frère-Orban proposed the establishment of the other great public corporation which remains, with the abolition of the octrois, the most remarkable effort of his governmental career, the General Savings and Annuity Bank (1862-1865).

His attempt, however, met with active resistance. He was reproached with wishing to centralize everything and create a new monopoly. "From progress to progress," cried a deputy, M. Julliot, "we shall all be enveloped in the nets of the State, the individual will no longer exist in our history, and our descendants will have to pay an admittance fee to look at a free man."

Although the proposed charter gave a large measure of autonomy to the bank, the opposition took great pleasure in confounding it with the State itself. They repeated *ad nauseam* that the State was making itself a banker, that the State made itself the direct debtor of the depositors, that the Savings Bank was only a mask and a fiction. And, as the author of the project replied that, by the legal device of civil personification, he gave the Savings Bank a distinct individuality, one of his opponents, M. Denayer, exclaimed: "But if this is so, you can erect into civil personalities all the wheels of the Government."

He did not realize how truly he was speaking.

The experience of the Credit Communal and of the Savings Bank was not slow in showing, in fact, that the system inaugurated by Frère-Orban presented the greatest advantages and conferred upon the artificial persons thus created an autonomy which was neither a mask nor a fiction.

Let us recall, for example, the fact that in 1900, that is to say at a time when the Belgian government was putting the socialists, so to speak, outside the common law, we see the directors of the Savings Bank granting to the Maison du Peuple of Brussels, through the intermediary of the union of the members of the Parti Ouvrier,

an advance of 1,200,000 francs for the construction of its central building. Now what the Savings Bank did, the State, the Government-State, certainly would not have done.

3. *The Inter-Urban Railway Company*

The success of the two great creations of Frère-Orban in the field of credit gave to the Liberal government of 1884 the idea of applying analogous formulas to the creation of a national inter-urban railway company.

The principal initiative in the project was taken by M. Bischoffsheim.

In a pamphlet published by him (1884) in collaboration with M. Wellens, the governor of the Belgian National Bank, he held that the one way to avoid, once for all, in establishing the secondary system, the disadvantages of the plan of concessions to private companies and those of direct operation by the Government-State, was to create a national Interurban Railway Company, which should occupy a position analogous to that of the "Credit Communal." He said:

Just as that society deals with the matter of municipal loans, so the new company would have the mission of centralizing all operations concerning interurban railways; it would procure the capital necessary for their construction and operation; it will everywhere introduce the principles of unity and of strict economy, and finally,

it will reserve to the municipalities, the provinces and the State the profits from operation.

The establishment of a company under these conditions, placed under the control of the authorities, dismisses all idea of stock-jobbing or speculation. Although having the form of an industrial corporation, it will not have its special character, that of representing private interests.

In other words the Company, since the Government itself has made it, will be concerned only for the general interest, meanwhile preserving the advantages of private companies, namely, of acting with more rapidity, with more initiative, of examining projects with complete independence, outside of local influences, political or otherwise, and finally, by conforming better to the necessities engendered by circumstances and facts.

In the thought of its promoters, the interurban railway company was therefore to be, like the "Credit Communal," a corporation composed exclusively of public officers.

The Parliament, on the contrary, while assuring the preponderance of the collective interest, thought it better to allow private persons to subscribe a part of the shares.

The law of May 28, 1884, in fact, revised and amended June 24, 1885, authorized the Government to approve the charter, supplementary to the law, of a company established at Brussels under the name of National Interurban Railway Company.

It is to this company that the interurban railways are conceded by royal decree.

Under the terms of the charter, the company's capital, equal to the cost of the lines to be constructed, and eventually to that of their equipment, is divided into as many series of shares as there may be lines conceded. At least two thirds of the shares of each series must be subscribed by the State, the provinces and the municipalities.

In view of the further fact that by far the greater part of the capital has been subscribed by the State, the provinces and the municipalities, we find ourselves confronting a stock company made up almost exclusively of public officials over whom the State keeps strict control.

The president of the council of administration is appointed by the King to serve six years. The other members of the council are named half by the King and half by the general meeting of the stockholders. The general manager is appointed and may be removed by the King.

As a general rule, the company does not itself operate the lines that it constructs, but leases them to other companies, in which, oftener than not, private interests predominate.

The tariffs are regulated by the national company, subject to the approval of the Government; nevertheless the Government has always the right

to raise rates or to forbid their being lowered. The Government can enjoin the execution of any measure which, in its view, would be contrary to the law, to the charter of the company, or to the interests of the State. Every year the Minister of Public Works files with the Chamber of Deputies the report of the administrative council making known the condition of the company's business.

It is generally admitted that the organization created by the laws of 1884-1885 has given really remarkable results, considering the rapidity and the amplitude with which they have brought about the increase of the railway lines and the development of the socially-owned capital.

But, on the other hand, the policy adopted by the national company has raised a sufficient number of criticisms, which have been developed by M. Gheude, in his remarkable report presented to the assembly of delegates of the permanent deputations (May, 1909) (page 14):

The company, he writes, has, especially in these last fifteen years, favored private interests rather than the public interest. It has given concessions for the operation of numerous lines without adjudication, has renounced the forfeiture clause which restrained improper exploitation, and has discouraged instead of promoting the effort of municipalities to operate certain neighborhood lines for themselves.

Moreover, instead of itself furnishing electric power to the operating companies—which it had begun to do with satisfactory results—we have seen it abandon the course to which it had committed itself, and treat with private companies for the purchase of the electric current.

These abdications to the profit of capitalist interests are no less frequent, moreover, in the State railways than in the inter-urban railways. They result from a state of mind which dominates all capitalist institutions. But, taking everything into account, the fact remains that the National Interurban Railway Company constitutes a very happy application of the principle of necessary separation between the government of the State and the management of public enterprises.

Also we have seen, in these last years, this formula extended to other fields.

In 1904, for example, Hector Denis proposed to create a national coal mining company in the north of Belgium, to develop certain coal deposits of La Campine. This proposition was not welcomed, and the greater part of the new coal fields was handed over to private capitalists.

But later, taking up another idea of Hector Denis, the Government created an interurban water company (1913) and a national company for the building of low-priced dwellings (1914).

The charters of these two companies are modeled on that of the National Interurban Railway Company, and it is very probable that after the war other companies of this sort will be organized, in various fields, to assist in national reconstruction.

SECTION II. AUTONOMY OF PUBLIC SERVICES

The question of the autonomy of public services does not date from yesterday. Napoleon once said, in speaking of the Bank of France: "I wish it to be in the hands of the Government, but not too much so."

And half a century later, when Frère-Orban organized the "Credit Communal," the Savings and Annuity Bank, and the trust companies for the widows and orphans of state functionaries and agents, he replied to those who would reproach him with desiring to centralize everything in the hands of the Government by recognizing in these institutions a distinct individuality, and consequently an autonomy more or less extensive.

But it was naturally when the State, for various reasons, was led to nationalize great industries, such as the railroads and mines, and when the municipalities in their turn multiplied

their direct enterprises, that the question opened up in all its fullness.

At first the State merely created new ministers. The national enterprises were erected into distinct departments. It was attempted to give their organization a flexibility greater than that of the administrations of the Government-State. Then a further step was taken, and in Prussia, for example, for the mines, and in Switzerland, Italy, France, for the railroads, the principle of the autonomy of public services was proclaimed and more or less radical consequences drawn from it, from the triple view-point of finance, the administrative organization and the rights of those employed.

CHAPTER I

FINANCIAL AUTONOMY

So long as the confusion between the Government-State and the management-State persists, the public services have no budget distinct from the general budget, and it is extremely difficult, or even impossible, to take account of the real financial position of the national enterprises, or, *mutatis mutandis*, the municipal enterprises.

In Belgium, for example, it was long supposed that the railways brought considerable profits to the State. The minister Vanden Peereboom was called the foster-father of the minister of finance. M. Helleputte, one of his successors, said that the railway system was "a veritable milch cow for the Treasury." And on the strength of these affirmations, the members of Parliament incessantly demanded lower tariffs for industry and commerce, and higher wages for the employees. But in his report on the railway budget for 1900 and in the following reports, M. Jules Renkin undertook to put Parliament on its guard against this optimism. He maintained that they had been enthralled by an illusion, and that the situation

was far less brilliant than the system of accounting adopted by the Administration tended to make one think.

Since 1906, moreover, new rules for accounting have been adopted for the railways, which cling closer to reality. Now, by applying these new formulas retroactively to the seventy-five fiscal periods already closed, the Administration has arrived at a figure of thirty million francs for the total profit.

This does not at all mean thirty millions of net profits, all charges deducted, and it seems, on the whole, that the excess of receipts over expenses just about suffices, in general, to liquidate the interest charges for each fiscal period.

In other countries, especially Switzerland, attempts have been made for a long time to put an end to the confusion existing between the State budgets and the railway budgets.

In his book "*Les Methodes budgétaires d' une Démocratie*," M. de Lichtervelde shows very plainly that if strict unity in the budget seemed most useful to assure clearness in the accounts of the police-State of earlier days, it is no longer justified in its primitive form, now that the State has taken over new prerogatives, making itself a manufacturer, educator, transporter.

Thus arises the distinction which tends to be

made more and more between the general budget and the supplementary budgets, specializing the receipts and expenditures of the various enterprises that the State administers.

Thus Sweden, which already had a special railway budget, separated from the general budget in 1912 the posts, the telegraphs, the public lands and the water power plants.

Just so in France, there exist eight supplementary budgets: Mint, Savings Bank, National Printing House, Legion of Honor, Naval Sick Benefit Bank, Central School of Arts and Crafts, Consolidated Railways, State Railways. The supplementary budget of telephones was suppressed in 1906, but in 1910, M. Steeg introduced a bill to re-establish it, urging the necessity for the State-employer, to have, like any business house, an exact account of its operations, so as to be able to borrow, or to build up reserves.

It would be wrong, however, to consider these supplementary budgets as models of their kind. Even the accounting system of the railway administration is unsatisfactory. "Nevertheless, says M. Engelhardt,¹ we have here an enterprise whose receipts and expenditures are compared, not as formerly in columns of statistics, but in

¹ Engelhardt, *L'Autonomie budgétaire des exploitations industrielles de l'Etat*, p. 58.

an operating account. Moreover, there is even a plant account. Unfortunately there are complaints regarding these two accounts." The annual operating account may be criticised as too often showing net profits that are fictitious; expenditures are carried to the plant account which ought to be carried in the operating account. As for the capital invested, it may be said that the State does not know; it is impossible to value it by methods of accounting, and it can not even be estimated accurately in documents independent of the accounts.

It is not so with the Swiss federal railways. Here we meet complete financial autonomy. The Railway Administration has a property of its own; if it has not the right to contract directly for loans, at least certain loans of the Confederation are set aside for the federal railways, which bear the charges of interest and amortization.

Contrary to the practice in Prussia, where the railway administration, a fiscal instrument, pours its profits into the national treasury, in Switzerland the administration keeps its profits, just as it bears its losses, should these occur.

The accounts of the railroads, says Article 7 of the federal law of October 15, 1897, shall be separated from those of the other branches of the federal administration and kept in such a manner that the financial situation may be accurately determined at all times.

The net profit of the federal railways is appropriated first to the payment of interest and to the amortization of the debt of the railways.

Twenty per cent of the remaining surplus shall be paid into a special reserve fund, kept distinct from the rest of the assets of the federal railways, until this fund with its accumulated interest has reached the sum of 50,000,000 francs. The remaining eighty per cent of the surplus *must be used in the interest of the federal railways* to improve and to alleviate the conditions of transportation, and especially to reduce the passenger and freight rates and to extend the Swiss railway system, particularly branch lines.

When the ordinary receipts with the unexpended cash balance do not suffice to pay operating expenses, with interest and amortization on the original capital, it is permitted to draw from the reserve fund.

Under these conditions, the railway administration does not differ financially from a private industrial enterprise except in the fact, quite to its advantage, that having no capital stock, it pays no dividends, and can apply all its profits to its improvement.

Financial autonomy, however, which aims chiefly at an accurate accounting system, and serves especially to fix the responsibility of the managers, would contribute but little to the improvement of public services if administrative autonomy were not realized along with it. The most remarkable government railway system in Europe, and we may even say the most remarkable of all European railway systems is the

Prussian State Railway, which has not financial autonomy, but is characterized by a notable degree of administrative autonomy.

It would be manifestly superfluous to apply the term financial autonomy, in speaking of supplementary budgets in which the receipts and expenditures of certain State enterprises are specialized. If they have not administrative autonomy at the same time, their book-keeping individuality may be useful, in affording a more exact accounting of the results of their operation; but they remain within the grasp of the Government-State; they do not control the profits that they realize; they may, in spite of their separate book-keeping, be constrained by the Government to operate in the interest of revenue, rather than in the general interest.

CHAPTER II

ADMINISTRATIVE AUTONOMY

From the moment when national industries take on some importance, the differentiation between the authoritarian State and the employing State quickly asserts itself.

Under penalty of being clearly inferior to private enterprises, public enterprises must borrow their methods, must detach themselves from the constraint of governmental traditions, must free themselves from political interference, must acquire a liberty of action unknown to the authoritarian bureaucracies of other governmental departments.

This liberty of action is more or less complete. Administrative autonomy has various degrees. But wherever there are State industries, the Government is, sooner or later, led, under the pressure of facts, to give them an individuality distinct from that of the State properly so called, the State as an organ of authority.

Such is the case, for example, with the administration of mines in Prussia and with most of the

State railways, in Europe as in South Africa and Australia.

1. The Administration of Mines in Prussia

The mining industry of Sarre, which belongs to the revenue, has a quite extended administrative autonomy. The Directing Committee operating the mines belonging to the revenue, which has charge of the commercial and administrative management, exercises functions very similar to those of the board of directors of a private company. The actual operation of the mines is entrusted to engineers having very extended powers, while subject to the authority of the Directing Committee.

To enable the reader to appreciate such a system, we can not do better than to quote the opinion of a French engineer distinctly hostile to the statization of coal mines, M. Weiss, who in a pamphlet devoted to the operation of the fiscal mines of Sarre, concludes in these terms:

Considered as a whole, the Administration of Mines is endowed with a strong organization, which permits it to compete in the industrial field with the best managed private enterprises. We must say that in spite of the habits of authority inherent in the race, in spite of what may be called Prussian militarism, *the Administration is highly decentralized; responsibilities are well defined: a large initiative is left to the agents who carry out orders. . . .* The working force is well disciplined and profoundly attached to the mine. It is

through this solid organization that the Prussian State, operating the largest mine field in the world, has arrived at *brilliant results*, in spite of the difficulties inherent in all State operation.

Let us hasten to add that, if the Administration of the Mines of Sarre may be cited as a characteristic example of the tendency which exists, even now, to differentiation between the State, organ of authority and the State, organ of management, we are as far as possible from seeing in it a partial application of collectivist ideas.

To begin with, the differentiation is far from being complete. The products of the mine are sold for the profit of the Government. The exploitation has a clearly fiscal character. Its essential aim is to provide resources for the State, for its army and navy. Any other consideration, such as the advantage of the public or the improvement of conditions for its workmen, is for it absolutely secondary. In the second place, the laborers are still wage-workers, laboring for the capitalist State, instead of laboring for private capitalists. They have no participation in the management of the enterprise. They are not even represented on the Directing Committee. They have not the right to organize, much less to unite in one union. They complain

that they are not so well paid, and they are in any case not so free as the workers in privately owned industry, for example the workers of the Rhenish-Westphalian Union.

2. The State Railways

There are few countries today where the administration of state railways has not a certain autonomy as regards the central government. An admirable example of administrative decentralization is given us by Prussia, with its railway system subdivided into twenty-one local divisions, each enjoying the same autonomy and the same initiative as the local administrations of the mines of Sarre, determining for themselves the character of their material, going into the market for the delivery of their locomotives, their cars and their fuel, and deciding matters relating to conditions of traffic and to claims, without referring them, otherwise than by way of information, to the central Administration. But nowhere else has such progress been made in this direction as in Switzerland.

Here we meet, at the outset, the same decentralization as in Prussia. The railway system is divided into five districts. Over each district is placed a directorate of three members, who supervise its management, prepare its budget and

make out its operating accounts, build extensions, acquire property, dispensing with competitive bids on amounts up to 100,000 francs, and regulate disputes as to the applications of tariffs and the loss, damage or delay of shipments. Along with each directorate there is a district council, composed of fifteen to twenty members, nominated by the cantons or sub-cantons of the district, which passes on all credits outside of or in excess of the budget, and which approves the budgets, accounts and annual reports of the directorate of the district.

But just as in Prussia the central administration of the railways is directly dependent upon the Minister of Public Works, so in Switzerland, the general direction of the system and the responsibility for low-priced service belongs to a special authority established by law; the General Directorate of the Federal Railways, which, on principle, represents them as against third parties in administrative and legal matters.

This directorate prepares the annual budget, balances the general accounts and edits the report of operations. It examines and executes new undertakings, it prepares plans and acquires operating material, it closes agreements with other transport lines, makes out the time-tables, elaborates the tariffs, regulates the services, con-

trols the receipts, supervises the district directorates, the most important decisions of which it ratifies. It consists of a college of five members, chosen for six years (their functions coincide with those of the two houses of a legislature), invested with an authority and a power which place them above the Federal Council from which they emanate. "The president of the General Directorate," says M. Gariel,¹ "is the real chief of the federal railways."

A council of administration of which a majority of the members are elected by the cantons and who represent especially the business element, assists the general plans for buildings and machines, the maps of new lines, the propositions for improvements in operation; it approves construction and delivery contracts in excess of 500,000 francs; it revises the budget plans, it examines the accounts and the reports of operation, and transmits them to the Federal Council. It also fixes the basic rules for figuring salaries, and frames the charters of banks for the benefit of railway employees.

That the autonomy of the federal railways is a real thing, is shown by the conflicts which break

¹ Gariel, *La Centralisation économique en Suisse*. Deuxième fascicule: *Les Chemins de fer fédéraux*.

out quite frequently between their manager and the Federal Council.

As M. de Lichtervelde points out in his interesting study, the Swiss railway administration regards itself as an independent authority. When it writes to the Federal Council, remarks a parliamentarian who thinks it is going too far, it speaks of "your" functionaries, quite as if it were not itself composed of State officials. In mentioning the railway department and the federal authorities, the report of the management designates them as "authorities of surveillance." In 1908 the Department of Railways was obliged to threaten the federal railways—remember this means the railways of the Swiss State—to make them defer to the courts; to the great scandal of many parliamentarians, certain commissions were very ill received by the railway authorities; the council of administration treated the remarks of one commission, from the National Council, as "unjust attacks"; they spoke of its "superficial resolutions," of its inconceivable frivolity.

Let us add that this independent bearing does not fail to appear excessive to many politicians.

Thus in 1908, at a moment when the situation of the railroads seemed rather bad, causing general irritation, parliamentary commissions were appointed to inquire into the causes of the deficit.

The General Directorate was accused of compromising the credit of the Confederation, and the Federal Council frankly complained of being despoiled.

Voicing these complaints, M. Secretan said (December 8) at the National Council:

Your commission has arrived at the conclusion that there is too great a tendency to make the General Directorate and the Administration of the federal railways independent of the Federal Council; there has been a failure to maintain between this Administration and the Public Powers the necessary contact and the indispensable subordination. With their General Directorate, almost omnipotent, with their Council of Administration, which assumes toward the Federal Assembly the air of a petty independent parliament, the federal railways today constitute a State within the State, which negotiates with the Federal Council, and endures with difficulty any control by the Chambers. It is high time that the Federal Council resume control of the whole enterprise, that the General Directorate be immediately subordinated to it, and that we eliminate from the present organization the useless and even hurtful complexities which exist in no other federal administration.¹

It seems however that since then the criticisms have become much milder. The Government is indeed planning a revision of the law, but it seems that the principal changes are to be rather in the direction of simplifying the too complicated interior administration of the railroads.

Moreover, the crisis through which these

¹ De Lichtervelde, p. 142.

passed in 1908 is over. The profits have unexpectedly improved, and if certain persons still think it might be useful to increase the supervisory power of the Federal Council, it is certain that the autonomy of the management has never been seriously endangered.

It is moreover to this autonomy that non-partisan observers, like Lichtervelde and Leener,¹ attribute the satisfying results obtained during these last years.

As they point out, the Swiss railways are known and appreciated by innumerable travelers who visit them each year. They take pleasure in praising the regularity of the service and the facilities offered the public. On the other hand, a financial equilibrium seems to be established.

The balance sheet for 1910, writes M. Lichtervelde, shows a considerable profit; that for 1911 is announced under favorable auspices, and a profit of 7,000,000 francs for 1912 is now expected. Better still, it has been found possible to reduce expenses considerably. Thanks to the accounting system used, the trouble has been brought to light and the urgent need of a remedy has been recognized by all. The General Directorate has succeeded in reducing, from 1908 to 1910, the locomotive-mile cost by 5%, while the passenger-mileage has increased by about 14% and the freight-mileage by about 8%. It has succeeded in stopping short the growing increase in the number of employees, in reducing the operating cost to 65.48% despite an increase in

¹ De Leener, *La Politique des Transports en Belgique*, p. 65.

wages, and in diminishing the cost of track maintenance by a better disposal of the force employed. All these measures would have been impossible but for the autonomy which removed the authorities responsible for the railways from the pressure of job-hunting politicians, for whom the suppression of a useless train or a superfluous extension is a personal check and a danger of non-re-election.

And M. de Leener adds:

We have had occasion to verify on the spot the accuracy of the observations gathered by M. de Lichtervelde. The whole administration of the federal railways is animated by the spirit which assures the success of great industrial enterprises.

Let us add that all possible measures are taken to reduce political interference to a minimum. The Federal Council names only the five members of the General Directorate and the twenty-five members of the district directorates, and these functionaries, again, are appointed for a term of not less than six years. All other appointments are removed from political influence, and are made on the principle of decentralization, which in a general way governs the organization of the enterprise: the personnel of the central administration is named by the General Directorate, and that of each district by the district directorate. No appointment is made either by the Council of Administration or by the district councils; the Council of Administration presents its candidates for the General Directorate, but

the Federal Council is not obliged to ratify its choice.

It is to be regretted that such examples do not seem to have had much influence upon the decisions of the special commission appointed in 1912 by the Belgian government "for the purpose of studying under all its aspects the question of autonomy for the State railways and shipping, together with all related questions."

3. *The Project of a National Railway System in Belgium*

In its report offered on December 2, 1913, in which politicians and officials sat side by side with manufacturers and technical experts, this commission concluded in the clearest possible terms in favor of autonomy.

It proposes, in effect, that a responsible personality, the National State Railway Administration, be substituted for the Minister of Railways, with a view to the conservation, the operation and the extension of the State railways.

The National Administration would not be—like for example the National Interurban Railway Company—a corporation, the existence of the latter presupposing the union of several stockholders, whereas in the present case, the State alone is interested.

The law would create an organism of a special kind, and would clothe it with civil personality with regard to the various mandates that will devolve upon it. Nevertheless, the National Railway Administration would possess nothing of its own. It would acquire, hold and alienate in the name of and for the account of the State. It would be, in fact, the agent of the State. The duration of its existence would depend on the legislator. It would be managed by a council of administration and supervised by a board of commissioners.

The members of the Council of Administration, to the number of fifteen, should be appointed, and if need be, removed by the King, at the instance of the Ministers of Railways and of Finance. They could not take part in the Parliament, nor fill positions with salaries paid by the State.

The members of the board of commissioners, to the number of seven, should be named by the House of Representatives (four) and the Senate (three). They might belong to the Parliament.

Under these conditions, the function of the Minister of Railways becomes for the most part supervisory. He remains strictly responsible for the observation of the laws. His intervention is required in all operations involving the resources

of the Treasury or the credit of the State. His approval is necessary before the budgets can be presented to Parliament.

As for the legislative Chambers, they continue, by adopting, rejecting or amending the budgets and the accounts, to exercise their sovereign activity. But, in fact, the Council of Administration finds itself invested with great freedom of action. It appoints the executive staff, it determines the changes to be made in the installations, including fixtures and rolling stock, and in the time tables, tariffs and conditions of transport, as well as in the organization of the service.¹

A superficial examination of the project permits us to say that if it realizes financial autonomy (it has merely copied the Swiss organization), it offers a mere appearance of administrative autonomy. It maintains all the centralization which is the dominant vice of the present system; far from tending to the suppression of political interference, it re-enforces it. All the decisions, all the appointments which today belong to the minister are assigned, it is true, to the Council of Administration, but all the members of this are named by the minister. The political party,

¹ See text of the project in the *Bulletin du Comité central industriel*, January, 1914.

which corrupts the present organization, will function with more intensity and cynicism, since the administrators, agents of the minister, will no longer have to answer for their acts before the Chamber.

So it is to be hoped that after the war, while resisting the attempts of those who will propose to turn over our railways to private capitalists, Belgium will find a way to assure to them an administrative autonomy which will not invite such criticisms. That will be one of the most important tasks of our national reconstruction.

CHAPTER III

THE AUTONOMY OF THE WORKING FORCE

The third question which arises, when the State, making itself a manufacturer, employs a considerable working force, is to know whether, from the point of view of freedom of association, and especially freedom to join unions, these laborers are to be treated like their comrades in private industry, or are, on the contrary, to be excluded from the common law and undergo, by reason of their position as State agents, various restrictions upon the ordinary liberties of citizens.

Almost everywhere, if not everywhere, at the start, the governments have decided this question in the restrictive sense. They have refused to make any distinction between the State, organ of authority, and the State, organ of management. They have been unwilling to see in the workers of their industrial or technical services, like the posts, telegraphs and railways, anything but officials like other officials, making up part of a hierarchic organization, and unable to form unions without subjecting themselves to the penal laws which punish combinations of officials.

Thus, in the French Chamber, on November 17, 1891, M. Jules Roche, Minister of Commerce, said:

I do not at all recognize the right of government workers to organize under the trade union law, because this law does not apply to them, since if they formed themselves into a union, it would be against the national representation itself that they would be organizing. The trade union law has given laborers this liberty, because, two private interests confronting each other, that of the employers on one side, and that of the laborers, on the other side, it was necessary to assign to all interests the right to use their natural liberty to further their own interests.

The employees of the State, for their part, do not confront a private interest, but the general interest, the highest of all: the interest of the State itself, represented by the public powers, by the Chamber and by the Government; consequently if they could take advantage of the trade union law, it would be against the nation itself, against the general interest of the country, against the national sovereignty that they would be organizing their struggle.¹

Such an argument, however, took too little account of realities to have any chance to resist for long the efforts of the State laborers to win freedom of association and freedom to form unions.

It was indeed possible by virtue of the common law to prevent combinations of the officials of the Government-State; but to forbid laborers in

¹ Barthou, *L'Action syndicale*, p. 137. Paris, Rousseau, 1904.

tobacco or match factories, metal-workers in the arsenals, or even postmen and telegraphers to form unions, was to create a formidable argument against any extension, even when necessary, of the economic functions of the State; since on that hypothesis, every passage from private exploitation to State exploitation would have had for its consequence a diminution of the liberties and the fundamental rights of the working class.

So we soon saw, under the pressure of those interested, who demanded energetically the same rights for all laborers, public or private, the application by jurists to this new phenomenon of the classic distinction between acts of authority, of public power, and acts of management.

"These last," said M. Laferrière, "are those which the Administration accomplishes in its character of manager and steward of public services, and not as depositary of a portion of sovereignty."¹

Now, from the point of view of the right of association, of liberty to form unions, it seems logical to treat in two different ways the agents of authority, holding a portion of the public power, and agents of management, having no participation in the public power:

¹ Cf. Paul Errera, *Traité de Droit public Belge*, 1900, p. 318 et seq.

If it is a question of the agents of authority, says M. Maurice Bourguin, the relations existing between them and the State are not contractual relations, they are relations of sovereignty. It is impossible, consequently, to recognize in the agents of authority the same rights as in other citizens, notably the right to form trade unions; a union formed among agents of the public powers, capable of checking or suspending the exercise of sovereignty, would be incompatible with the principles of public justice. . . . If it is a question of agents of management having no participation in the public powers, they find themselves bound to the State by a veritable contract for the hiring of services. Their relations with the State appear to me to be of the same nature as those of a laborer or an ordinary employee with his employer, and I perceive no precise reason in the texts and general principles of law for refusing them the ordinary right of citizens, the right to defend their interests, face to face with their employer, the State, by means of trade unions.¹

This distinction, moreover, is today admitted by every one, implicitly or explicitly. In the very countries, like Belgium, where freedom of association is still subjected to restrictions that we regard as unjustifiable, the Government recognizes that these restrictions "should be more or less extensive according to the services in question," and that "all State employees are not officials in the restricted sense of the term."²

But difficulties arise when it comes to marking

¹ Bourguin, *De l'Application des Lois ouvrières aux ouvriers et employés de l'Etat*. Conférences faites au mois de juin 1912, à l'Ecole professionnelle supérieure des Postes et Télégraphes.

² See *Exposé des motifs du projet de loi sur la liberté d'association des C. P. T. T.*, 14 mar 1910.

the precise point at which appointment to public office begins and contract for the hire of services ends. As M. Fontaine points out,⁸ there are between the public administrations and the clearly industrial operations of the State, certain services the character of which is contestable. Every one will agree that generals, magistrates and prefects are officials, that workers in distilleries or in match or tobacco factories operated by the State are not, but one need only refer to the ministerial bulletins or the records of French jurisprudence to become convinced that the intermediate cases—such for example as employees of the revenue department, road-workers, postal clerks or carriers—are extremely numerous.

On the other hand, even if it be admitted that industrial workers employed by the State ought to enjoy, as regards the right of association, a greater liberty than officials properly so called, it does not necessarily follow that they should be accorded the same rights as the laborers of private industry; the Administration, for example, may under certain conditions require that permission be first obtained before organizing into unions, or may refuse the right to strike, or even go so far as to make striking a crime.

⁸ Louage du travail, Nos. 136 to 170.

This question of the right of association for State workers is therefore a delicate and complex one. General formulas may aid in solving it. They do not relieve us from examining, for each category of State employees, the applications that must be made of the basic principle of the separation of the governmental State from the industrial State, or, to use Saint-Simon's phrase, the government of men from the administration of things. But among these categories, there is one which, in all countries, attracts particular attention, through the number of workers belonging in it, and through the gravity of the consequences which may result for the whole nation from the exercise of freedom to form unions: that is the category of communications and transportation (telegraphers, telephone operators, postmen and railroad workers).

In Belgium for example, it is with reference to these workers exclusively that the Government thought it necessary to draft a law, and while awaiting the vote on it, to adopt special regulative measures.

We have published elsewhere an account of a criticism of these measures.¹ We will confine ourselves here to a few general observations.

¹ E. Vandervelde, *La Liberté syndicale et la personnel de l'Etat en Belgique*. Gand, Volksdrukkerij, 1913.

1. BELGIUM

When in 1881 the employees of the railroads, posts and telegraphs attempted for the first time to create a federation having for its aim the improvement of their condition and the defense of their common interests, the Liberal minister Sainctelette formally forbade them to associate themselves. He based this prohibition on the fact that "collective demands are prohibited as incompatible with administrative discipline. It is inadmissible, moreover, for agents of the State to organize an instrument of pressure upon the Government and the Chambers."

Later, in 1891 and 1892, new attempts having developed, the minister Vanden Peereboom renewed the former prohibitions.

It required more than fifteen years before the governmental ideas, under pressure from the Parliament, were modified to a certain extent. On February 5, 1908, on a question raised by the Socialist deputy Anseele, the Chamber adopted a resolution refusing State employees the right to strike, but proclaiming that they "have the right to associate themselves freely to the greatest extent compatible with order and discipline."

As a result of this vote, the Government proposed a law according, but with many restrictions, a legal status to the unions of State

employees, and, as a temporary measure, the Minister of Railroads, Posts and Telegraphs issued an order (March 9, 1910) on the right of association of its employees.

This order, moreover, sanctions the principle of the right of association, but only with restrictions and prohibitions which deprive it of almost every possible application.

The employees may associate themselves, but they must refrain from all political action, from any attack on acts or decisions of the Administration, from any measure of such nature as to obstruct the enforcement of orders, and from any demonstration with a view to obtain, in favor of administrative reforms, the support of persons outside the Administration. On the other hand, the Government claims the right to impose upon the trade unions the obligation to split themselves up into as many groups as there are distinct specialties in a category of employees. For example, the local and rural carriers, the carriers on probation, and the postal clerks must form three distinct associations. Moreover, the associations must not federate. Finally, the employees must not attend, even as simple auditors, at political meetings organized by outsiders, to discuss the administrative situation of the State employees.

Is it surprising that, under these conditions, the railway and postal employees are not satisfied? They continue their effort to obtain real freedom to form unions, and they invoke in support of their argument the example of most of the countries of western Europe. As special examples we cite France and England.

2. FRANCE

In France, as elsewhere, the Government refused, for a long time, to agree that freedom of association be granted to State employees, even to those exercising no authority. It was not until May 22, 1894, that, contrary to the advice of the minister Casimir-Périer, who resigned, the Chamber adopted the following resolution:

"Whereas, the law of 1884 on trade unions applies to workmen and employees of State industries, as well as to those in private industry, the Government is requested to respect it and to facilitate its operation."

The result of this resolution is that the laborers and employees of the industrial and commercial enterprises of the State, the departments and the municipalities have freedom to organize unions.

But, as a matter of fact, the Administration and the courts have made rulings and rendered decisions that are exceedingly variable on the

point of determining which are the State employees that ought to be regarded as workers in industrial and commercial enterprises, and not as officials excluded from the benefits of the law of 1884.

Regarding particularly the employees of the Department of Public Works, the following note from M. Fontaine, manager of the Labor Office, defines the situation which has resulted for the different categories of workers:

The railway workers are organized in trade unions, which have always figured in the successive editions of the "Year Book of Unions," published by the Minister of Labor: first, General Association of State Railway Workers, founded in 1899, indicated in the edition of 1910-1911 as enrolling 3,225 members and publishing a monthly journal; second, Federation of Mechanics, Motormen and Conductors of the State Electric (railways), dating from 1906 and enrolling 3,370 members.

The French State seems to have made no opposition to the organization of these unions.

As regards the postal and telegraph workers, the question is altogether different. The French Government has admitted the legality of unions of laborers, but has contested that of the unions of employees or clerks.

In the "Year Book of Unions" appear the Union of Postal, Telegraph and Telephone Workers, established in 1899, enrolling 5,750 members, and the Manual Laborers' Union of Posts, Telegraph and Telephones, established in 1905, enrolling 1,825 members.

On the contrary, the National Union of Postal, Telegraph and Telephone Employees does not figure in this annual, its dissolution for illegality having been pro-

nounced July 29, 1906, by the Correctional Tribunal of the Seine.

But the French Government has never refused to the postal employees, as to all other employees in its service, the right to form associations governed, not by the trade union law, but by the law for incorporating associations. The General Association of Postal Employees, thus constituted, has been allowed to present to the Administration the grievances of the employees, just as the laborers' union presented the demands of the laborers.

There are thus in France two distinct systems, that of the railway workers and laborers in the postal service, who have the right to form trade unions, and that of the clerks and carriers, who have not that right, but who enjoy, to the fullest extent, the right of association established by the common law, under the statute of 1901.

3. ENGLAND

The question does not arise in England, where the railroads are operated by private capitalists, except in the case of postal employees. It has been decided, for the last six years, on the lines of the most complete freedom of association. The State employees not only have the right to organize as they see fit for the defense of their common interests, but their Trade Unions may, if they wish, take part in political action: several of them are on the list of the societies affiliated with the Labour Party. On the other hand the

societies of this kind attached to the Postoffice have, since 1906, been officially recognized by the Government.

From a circular of the Postmaster General dated April 14, 1910, (Official Recognition of Postoffice Servants' Trade-Union), we quote as follows:

The circular of the Postoffice, dated February 13, 1906, announced that the Postmaster General was ready to recognize any association or federation of postoffice servants duly constituted, and that he was prepared to receive representatives of the members or delegates of these associations, or of their secretary (in the service or otherwise) upon all matters relative either to the general administration, or to the interests of the various classes represented by the association. This recognition was admitted by Mr. Buxton solely as an experiment.

The Postmaster General is happy to state that the experiment of the four years just past justifies the extension of the limits within which any recognized association should be allowed to send representatives.

Desiring to learn whether the satisfaction of the Postmaster General was shared by the employees under him, we addressed an inquiry to the secretary of the Postmen's Federation, Mr. Stuart, who answered as follows:

"1. Are the Postmen allowed to organize freely?"

"Yes, entirely so. This right was legally recognized many years ago, but has been practically conceded to them only since 1890. Unions

had already been organized before that time, but their formation had been severely discouraged and their leaders often victimized. In 1890, the Postmaster General, the late Cecil Raikes, declared: 'There is no regulation forbidding the postmen to organize for the defense of their interests and the redress of their grievances.' A little later the regulations requiring that the authorities be notified of the meetings of postmen, and permitting the Postmaster General to be represented at them, were abolished. Since then, no attempt has been made to interfere with our rights. In 1893, however, two postmen were dismissed under pretext of breach of discipline, but really on account of their union activity. But these are the only cases that have occurred since 1890, and we have no reason to think that future incidents of this kind are to be apprehended."

"2. Do the postmen's unions benefit from common-law legislation?"

"Practically, the answer is affirmative. Legally, the question is doubtful. The law is not definitely fixed on the point. In fact, the postmen's associations have all the privileges of ordinary unions, and one or two advantages that these do not possess. Thus, for example, the postal unions do not come under the so-called Osborne decision,

forbidding unions to appropriate funds for their parliamentary representation."

"3. Can the postmen go on strike as freely as the miners?"

"Legally, there is no difference. There have been, moreover, one or two partial strikes of little importance in the Postoffice. But a general strike is improbable, in view of the facility with which the leaders of the associations can approach the Postmaster General and the other authorities of the Postoffice."

4. SUMMARY AND CONCLUSIONS

There is evidently a world-wide difference between the freedom of association recognized for State employees in England and even in France—or in Switzerland, Holland and the Scandinavian countries—and the restrictive system of liberty to unionize which still exists in Belgium. The Belgian Government certainly recognizes in principle the legitimacy and usefulness of the trade unions of the C. P. T. T., but it claims to reserve to itself the right to limit their field of action and their recruiting field, to divide them into as many groups as there are categories and distinct specialties among the C. P. T. T., to prevent the federation of the groups thus split up, and to restrain their activity to the mere de-

fense of their trade interests in the strictest sense.

To justify these derogations of the common law, it is said that if the so-called trade unions of State employees came to include the most diverse categories of workers or even all the workers connected with an administration of the State, such a general association would no longer be a trade union, since all the trades, all the positions, would be confounded in it: "It would be nothing more than a mob of the persons employed by the administration, assembled with a view to exercising by their numbers a pressure on the members of Parliament and on the administrative authority."

No one will deny this. But it is absurd to suppose that on the day when State employees come to enjoy the liberty to organize on the same terms as the laborers in private industry, they would make a use of that liberty which would be the very negation of it. Is it not plain, in fact, that if the letter carriers, the telegraphers, the telephone workers and the railway workers, for example, were merged in the same association, they would put themselves, by that fact, into a position where they would find it absolutely impossible to defend their own professional interests? As M. Paul-Boncour, former Minister of Labor, observed very justly: "The closest

solidarity is that uniting those who work at the same trade: that is expressed by the union; what interests us most is to protect the labor which assure life to us: It is the union that permits this."

Nothing then leads us to expect that, if the State workers were free, they would mix into one single association. What is true is that they would put an end to the system of crumbling into indefinitely small fractions which the Administration imposes on them today to make them powerless. The postmen, for example, would reconstitute their united organization. The laborers on the roads and public works would perhaps form a single association. And without doubt the various trade unions of the C. P. T. T., or the railroads, on the one hand, and of the P. T. T. on the other, would join, for the defense of their common interests, into a single federation.

But that is precisely what the Belgian government fears. The "syndicalism of functionaries" inspires it with a profound distrust. This is nothing less than an attempt at substituting trade associations for the Administration itself:

They would no longer be associations composed of workers for the Administration; they would be fractions of the Administration. Their sum-total would constitute the Administration itself. They would be "autonomous." This program might not be realized imme-

diately, but its partisans hope to realize it with the briefest delay possible. These ideas do not exist, in general, among our workers, except in a confused state. Still it is necessary to point them out, for they have been manifested, on certain occasions, by an interference, direct although unreflecting, of certain associations with the proper attributes of the Administration.

In other countries, the syndicalism of functionaries constitutes a veritable doctrine which tends to "dis-establish" the State, to give the postoffice department to the postmen, telegraphy to the telegraphers, the navy to the sailors, the railroads to the railroad men. The public services would be treated like private industries, or the trade would be organized for the profit of those who work at it.

The functionaries, recruiting their numbers at their own discretion, without the intervention of any authority, would operate at their own pleasure the administrative services, which would become the administrations of the persons interested.

The Government would fail in all its duties if it did not combat such doctrines. If one can imagine a system where the laborers would be proprietors of the factory—and all those who have tried to start co-operatives of production know what enormous difficulties stand in the way of applying this very seductive idea—it is contrary to every conception of the State to turn over the Administration to the functionary, for here the function is not created for the greatest profit of him who exercises it, but solely for the service of the nation, in the general interest.

The syndicalism of functionaries, as certain persons understand it, reverses this conception, the only admissible one, of the public function; no one can admit it without desiring the ruin of the country.¹

¹ *Projet de loi No. 121, p. 8.*

As to this we have to say that if what is called the "syndicalism of functionaries," although it is really a question of the syndicalism of workers who are not functionaries, had such aims and tended to such consequences, the socialists would not be the last to oppose it. We do not desire the railroad for the railroad men or the postoffice for the postmen, any more than the mine for the miners or weaving for the weavers. To use a phrase of M. Briand, we admit that the public domain and machinery are "instituted for the benefit of all, and not for the special use of those to whom they are entrusted."¹

Also there should be no question of allowing the State workers to "operate at their own pleasure" the railroads, the posts, the telegraphs or the telephones. They should have, in our opinion, the right to organize freely for the defense of their common interests, but we do not propose to sacrifice the general interests to these special interests, and we repeat emphatically that the manager of a national industry, if he found himself confronted with excessive demands, would have not only the right but the duty to oppose

¹ Chamber of Deputies, session of 1910, No. 126. Bill on the status of railway employees, p. 5.

them energetically in the name of that general interest.²

In short, the type toward which, in our view, the organization of the socialized industries should evolve, is not the "co-operative of production," whose members, being associated only with each other, are associated against every one else, but the co-operative of consumption, in which the final decision belongs not to the employees but to the general assembly of the co-operators.

In the great co-operative which the railway system is, or ought to be, for example, all the citizens, consumers of transportation, are represented by the manager of the system, and he must direct the enterprise, with the collaboration of the workers, just as in our socialist co-operatives the manager elected by the general assembly, and holding his powers of management from it, directs the enterprise with the collaboration of the working force of laborers and employees. But if, in either case, the directing power must come from the consumers, from the collectivity, then the collectivity or the consumers, of whom the working force constitute a part, ought to be model employers, and the first example which

² Understand that we are here working on the hypothesis of a *democratic* State, in which the rights of the workers in national industries would be fully protected, without attempting for the moment to forecast what might be a *socialist* system of collective labor.

this collective employer should give to other employers, is to recognize the full and complete liberty of those whom it employs to associate themselves for the defense of their common interests.

True, the further objection is urged, that the industry of the railroads—or of the posts, telegraphs or telephones—is not a mere industry like the others, but is a “public service,” the interruption of which has the most serious consequences for the community, and that for this reason, nothing could be more dangerous than to recognize for the workers employed in these branches of industry the “right to organize,” because the right to organize had for its logical complement the “right to strike.” It is for this reason that in 1898, in the Belgian Chamber, M. Bergerem, Minister of Justice, refused to grant legal recognition to such trade unions as might be organized among workers in public industries: in his view, the trade union was unthinkable without the right to strike; now, considerations of principle and of public interest are, he held, are opposed to the recognition of such a right for State employees.

This argument, moreover, is not admitted by the present Government. In the discussions of its proposed laws relating to associations organ-

ized among the employees of the C. P. T. T., it declares the contrary:

The union, it says, has been regarded too exclusively as a school for strikes. It is true that the strike can not be made effective without an organization of the laborers, but the latter may exist without producing the former, and the trade union may, to the great profit of the laborers, devote itself to a different mission from that of preparing for or provoking conflict.

It is however beyond doubt that, if the Belgian government refuses to its employees the freedom to organize, if it imposes on their trade unions the system of preliminary permission, if it takes in their case all sorts of precautions of which the effect, if not the intention, is to obstruct their normal development, it is largely because it fears that strong associations would be tempted to resort some day to the strike, for securing the triumph of their demands.

Moreover, we should not be expressing our whole thought if we did not admit that, in fact, freedom to organize has as its corollary the right to resort to the strike. So we should oppose with all our strength any laws of exception which might tend, as regards the workers in socialized industries, to erect the fact of striking into a crime.

But does it follow that under the present system of common law, the collectivity finds itself

without defense against State employees—rail-road men or postmen for example—who might try to abuse the fact of their being indispensable to exercise, by concerted cessation from work, an unjustifiable pressure on the government?

Here again, a comparison with the co-operatives will help make our meaning clear. It may happen and it does happen that conflicts arise between the managers of a co-operative—even socialist—and the members of the working force. These conflicts, indeed, are relatively rare. Attempts are made on both sides to prevent them, or if they break out, to settle them, in a spirit of broad conciliation. But if they persist, what is the situation? The employees, who generally belong to the union of their trade, go on strike. That is their unquestioned right. Only, the managers of the co-operative, backed by their general assembly, have the right to fill the places of the strikers, and naturally this means of defense is more effective in proportion as the conditions of employment are more favorable to the workers.

Now, what happens at present in our co-operatives is an image of what happens, or would happen, in a democratic State, *remember we are not saying in a Socialist State*, in which the workers in socialized industries would fully enjoy the right of association and of combination. They

would, it is true, constitute a veritable power. They would be in a position to obtain, through the organization of labor, all reforms compatible with good service and with the resources of the community. They would cease to be as today the servants of an authoritarian and despotic bureaucracy. But if they yielded to the temptation to abuse their strength, if after doing everything to make the resort to a strike useless and unjustifiable—by assuring its workers a legal status, representation, an effective share in the management—if the collectivity were obliged by them to defend itself, nothing would be more legitimate, and at the same time more effective than to use against the strikers the right belonging to the head of every enterprise: the right to employ them no longer.

It would in fact be necessary to adopt systematically the one-sidedness of certain syndicalists, and be totally incapable of comprehending the viewpoint of those "on the other side of the fence," not to recognize that at a given moment the responsible head of a public service, having to defend the general interests of the community, might stand disarmed before a strike of his employees. But, as M. Millerand points out, in his report on Briand's proposed law against the right to strike for workers in public services, it is not

necessary for that reason to attack the right to organize, nor to make striking a crime.

Whatever may be, moreover, the penalties that may be imagined, . . . it is self-evident that these penalties are always less serious than the civil remedy with which the strikers may be punished, namely dismissal. The administration of a railway system, obliged to assure service to the public, responsible morally and financially for the management, has, it scarcely need be said, the formal right to dismiss any workers who have voluntarily left their jobs. It may be merciful, when the hour arrives to forget, but if the workers propose justly to preserve their liberty of action, it can be only on condition of assuming responsibility for what they do.

We certainly should not agree with M. Millerand when he regards the State's use of its legitimate defense against excessive or extravagant demands as a punishment, a civil penalty. We keep his words merely to show that the recognition of the right of State workers to strike does not leave the State disarmed against combinations hostile to the general interest. But need we add, in the conflicts which have arisen for several years past, in France, in Holland, in Italy and elsewhere, it was not the general interest which caused them, but the interests of the ruling classes, and we should decidedly have been on the side of the strikers.

CHAPTER IV

SOCIALISM AND STATE INDUSTRIES

From the mass of facts which have been set forth, the conclusion develops that the State-employer is not everywhere the same thing, and that, even now, under the pressure of the necessities of industrial management, the national or municipal enterprises tend, more and more, to differentiate themselves from the State, organ of authority.

There is a wide interval, for example, between the purely fiscal alcohol monopoly which existed in Russia before the suppression of vodka, and the organization, largely autonomous, of the federal railways in Switzerland. In both cases, certainly, we have to do with the capitalist State, employing and exploiting wage-workers; but in Switzerland, as we have seen, its management is concerned above all with the general interest; in Russia, on the contrary, the monopoly had no other aim than to contribute for the ever growing needs of the army and the navy.

This was explicitly stated in a speech delivered before the Imperial Council, in January, 1914,

by Count de Witte, the originator of that institution.

The monopoly, he declared, had been originally introduced to fight alcoholism; it was intended to give the people a pure brandy and to regulate its sale; at the same time the Government organized anti-alcoholic district committees, charged to combat drunkenness by propaganda through libraries, Sunday-schools, theaters, etc. Now the monopoly serves for an altogether different end, and its original character is perverted; it is a gigantic pump, admirably planned, which sucks up all the resources of the country; all the efforts of the Government tend only to increase the intake of this pump, and the vodka monopoly furnishes nearly half the resources of our budget. Since the war began, the receipts of the monopoly have increased by five hundred million roubles, and today exceed a billion roubles. Under these conditions, the anti-alcoholic committees are reduced to powerlessness, and any struggle against the abuse of alcohol has become impossible, since, from the fiscal point of view, the Government can only congratulate itself on the increase of the receipts of the monopoly.

It goes without saying that, under these conditions, exploitation by the State is an unmixed evil. Any one who is a socialist, or even a democrat, must be hostile to it. Perhaps, in the old empire of the Czars, we should have considered that, all in all, the State railways presented more advantages than disadvantages; but as for fiscal monopolies, we should certainly have agreed with Guesde in admitting that such institutions, far

from being advantageous to the workers, were a formidable instrument for exploiting and oppressing them. Therefore, as he says in his pamphlet on Public Services and Socialism: "rather than to work for their extension, there is reason to attack those which already exist, and which constitute so many obstacles in the way of proletarian organization and action."

But Guesde, as we have seen, goes further. He generalizes his opposition to State industries. He formulates it in absolute terms. He declares that, within the structure of the present society, "public services present, for the socialist party and its objectives, nothing but dangers." He admits only one attitude for the socialists toward enterprises for the statization of monopolized enterprises:

"The revolution *first*, that is to say, the political and economic expropriation of the capitalist class; public services *afterwards*, because, after the fusion of the classes into one only—that of the producers—really public services will be possible."

That is not, moreover, an isolated opinion. To read the Communist Manifesto, it seems indeed that Marx and Engels were equally of the opinion that the statization of certain industries was ad-

missible only after the proletarian conquest of power.

Kautsky likewise, in his little book "The Social Revolution," without being as clear as Guesde in this regard, seems also to defer to the morrow of the revolution the nationalization or socialization of the monopolized industries.

When there was talk in Prussia of the purchase of the mines by the government, he devoted several articles in the *Neue Zeit* to opposing such propositions.

Nevertheless, neither in his writings nor in those of Marx and Engels do we find that trenchant formula that we have quoted from Guesde: "The revolution first, . . . the public services afterwards."

If such a program of socialist action were to be taken literally, it would be necessary, so long as the proletariat is not in power, for its delegates in the legislative assemblies to declare against state ownership, even in the democratic countries where the autonomy of the public services as against the State-power is not an empty word. And in fact, if practice has tempered this rigor to some extent, there is nevertheless an undeniable tendency, in Guesde and those who follow him, to be hostile to the extension of government industries, within the present State.

It will be remembered, for example, that, contrary to the opinion of the majority of the parliamentary socialists, they opposed energetically the redemption of the West State Railway.

We thus confront not a purely theoretical controversy, but a divergence of views which shows itself, and may show itself at any moment, in the field of immediate action. Let us then sum up the arguments which Guesde formerly used against the "possibilists," and see what validity they have, when invoked against the policy of extension of the "public services" under their present form.

Guesde maintained, it will be remembered:

1. *That the nationalization of private industries by the capitalist State is not socialism, and has nothing to do with socialism.*

2. *That far from simplifying the expropriating task of the proletariat, by already realizing a certain amount of public property, it presents only dangers for the workers, because it fortifies the enemy, the capitalist class, and enfeebles the working class, the movement of which it paralyzes.*

On the first of these affirmations, we agree. Even that one of all the State industries which differs most from the type of police-State administrations, that of the federal railways of Switzer-

land, is much more nearly related to a great capitalist corporation than to the co-operative organization of production under a socialist regime.

From the point of view of distribution, it is founded on the wage system, save for the rule of paying its laborers a little better wages than those of private industry.

From the point of view of the organization of labor, it differs not at all, or slightly, from capitalist enterprises; the workers have no part in the management; they have no voice in the control; they are not represented in the general directorate nor in the council of administration; and if they are allowed the right to organize freely, their unions have no more favorable position as against the managers and directors of the administration than the unions of private industry have as against the other employers.

But, it will doubtless be said, from the point of view of property at least, the national railway administration is collectivism, since the system and the material belong to the "nation."

The truth is that they belong to the State, and that this State is, despite its democratic forms, a class State.

Now, as Guesde points out, "the private industries, when taken over by the present State, do

not lose their character of capitalist property, that is to say of property from which the working class is excluded. From being the property of such and such a capitalist, that is to say from being property benefiting exclusively x or y , they become property of the whole capitalist class, without distinction of x , y or z . But that is all! As for the proletarian collectivity, as for the society of wage-workers, it profits no more from statized machinery than from individualized machinery.”¹

We can not fail to note, however, that here again certain affirmations if made too absolutely might become incorrect. Between the capitalist State, founded on the exclusive domination of one class, and the proletarian State, aiming at the abolition of classes, there are many intermediate stages.

One could not refuse to see, without closing his eyes to reality, that if the fiscal property of the Prussian State or of the Empire of the late Czar is a “property from which the working class is excluded,” the postal, telegraph and railway systems in Switzerland and France, as well as most municipal industries, can not be considered purely and simply as “property of the whole capitalist class.” They certainly belong to a class

¹ Socialisme et Services publics, p. 30.

State, but within that class State, or upon that class State, the proletariat has an influence which it does not possess in more backward countries.

Moreover these are, above all, questions of definition.

It is not so with this other question, of vital importance as regards socialist policy: the question of determining whether the extension of State industries is of a nature to facilitate, or rather, on the contrary, to make more difficult the transformation of capitalist property, state or individual into social property.

According as one adopts, in fact, one or the other of these contradictory opinions, one should favor or oppose the statization of certain industries, railroads, mines, etc., while the structure of present society remains.

The socialists hostile to any statization under the capitalist system raise two principal arguments: on the one hand, the existence of the public services fortifies the enemy, by diminishing the liberties of the working class; on the other hand it increases directly the bourgeois forces, because "the more industries the bourgeois State includes, the more individuals it attaches to itself and interests in its preservation, even including only those who, favored by better

pay or a higher station, must fear any change as a leap into the unknown."

That those are very strong arguments against statization, no one denies. They are even so strong that one must approve the social democracy for being hostile to them in countries where the State, the police-State, has remained what it was at the epoch when Marx and Engels wrote the Communist Manifesto. But these arguments become less decisive in democratic countries where the working class is no longer, politically, a negligible quantity, and where the State, organ of management, is differentiated more or less completely from the State, organ of authority.

This enables us to understand that in France, in Italy, in England, in Switzerland and in Belgium, for example, the socialists or a majority of the socialists are more favorable to the statization (or the municipalization) of certain private industries.

Does this mean that they are ignorant of the disadvantages or the dangers that statization may offer? Not at all. No one denies, as a matter of fact, that if the employees and laborers of the State enjoy (from the point of view of security of employment, for example) certain advantages that the workers in private industry do not have, these very advantages generally result in making

them more timorous, more pliable in their relations with the government, more inclined to expect from favor, and not from their own effort, any new improvements in their condition.

On the other hand, and for the same reasons, their freedom to organize, in most countries, is singularly limited. The authorities bargain with them over the right of association; they are denied the right to strike; they are called to the colors, in case of a dispute, to compel them to work; all the weight of the State-power hangs over them.

Under these conditions, one may ask how it is possible that, in spite of everything, most socialists continue to demand, even now, extensions of the domain of the State.

To understand such an attitude, it must, first of all, be kept in sight that if the State workers are less free and less independent in their bearing than the workers of private industry, or rather than *most* of the workers of private industry, that depends much more on the nature of their work and the services that they render, than on the fact that they have the State for an employer.

In France, for example, where the laborers of the railway companies enjoy (as regards pensions and stability of employment) the same advantages as those of the State, we do not observe

that they are more independent in their bearing. It is rather the contrary that is true. And in a general way, in all great enterprises whose structure approaches, by its concentration and bureaucratization, that of the State enterprises, the psychology of the workers tends to be the same.

On the other hand, when it is a question of "public services," such as railroads, the capitalist State, even when it is not at the same time the employing State, resorts to the same methods against the company workers who go on strike as against its own workers.

In both cases they invoke the necessities of public safety, and M. Briand, on occasion, applied military discipline to the workers of the Northern Railway Company just as he did to those of the Western State Railway.

From the view-point of disadvantages therefore, it seems that there would be no great difference between enterprises of the same nature, according to whether they are operated by the State or by capitalist companies. But, on the other hand, (in democratic countries, be it understood) the employees of the State have, for improving their conditions of work and of living, certain means of action that the workers of private industry have not, at least not to the same

degree. Far more easily than the latter they may, by their political action, obtain a minimum wage, more complete insurance institutions, etc.

Let us hasten to add however that here again the difference is not great, when we compare the state industries with others like the coal and the textile industry, the workers in which, very numerous and concentrated in certain regions, have at their disposal from this fact a considerable political influence. But if, to be exact, from the point of view of the workers, the advantages and disadvantages of State exploitation tend to balance each other, it is necessary to take account of the following considerations in favor of operation by the State:

1. *Advantages which, in certain industries at least, it presents from the point of view of the general interest;*

2. *Transformations, ever more radical, which can and must be accomplished, in the direction of separation between the State, organ of authority, and the State, organ of management.*

Let us suppose, for example, that, the property in the mines of Sarre remaining collective, the Prussian State ceases to be a class State on which the proletariat exercises no influence. Its institutions are democratized. The working class, without being ready as yet to take political power,

exercises an increasing pressure on the Government.

Is it not evident that fundamental reforms might be and ought to be introduced into the organization of the industry?

1. The operation would cease to have a fiscal character, and it would be the same with the other public industries, except those adapted by their nature to provide profits for the Treasury, like the monopolies of alcohol and tobacco.

2. The industrial State ought, far more than today, to have an organization quite apart from the government-State; centralization is one of the characteristics of authority; decentralization is one of the necessities of management.

3. Industrial management would no longer belong to functionaries delegated by the Government, and having wage-workers under their orders, but to the entire body of workers, organized into public corporations.

Certainly, before these radical transformations will take effect or even can take effect, time and efforts will be needed.

But from today the whole labor movement, political as well as economic, tends to this final result.

The war has interrupted this movement. It

will be resumed with greater force when the war is over.

Already, in all the countries where universal suffrage does not yet exist, the people are demanding it as the price of their sacrifices, and are thus preparing for the conquest of the public powers by the proletariat.

On the day after the war we shall witness a powerful effort of the workers to take away from the financial powers the monopolies to which the war will have given birth; and thus we shall march toward the collective appropriation of the principal means of production and exchange.

Industrial union activity, rendered more intense by the after-war difficulties, will create, within the entrails of bourgeois society, the organs of the future society, the public corporations which will operate the socialized industries of the future.

Finally, the resumption of international relations among the workers, the development of the society of nations, the formidable reaction of peace against war, will tend progressively to restrain the functions of the Government-State, at the same time that the progress of collectivism will multiply the functions of the industrial State.

Thus, little by little, through an immense addition of individual and collective efforts, the way

is preparing for the passage from present society to the new system, which a pioneer comrade, Victor Considérant, described long ago in his "Destinée sociale":

"The States thus transformed will be nothing but managing committees, named by associations more or less numerous, and invested with the confidence of those who have chosen them. There is no more government having soldiers and policemen under its orders; there is no more despotism nor usurpation possible,—something that nations will always have to fear, so long as they are obliged to manufacture sabres."

CHAPTER V

SOCIALISM AND STATISM

As we reach the close of this study, we believe we have shown what differentiates statism from socialism.

Statism is the *organization of social labor by the State, by the Government*. Socialism is the *organization of social labor by the workers, grouped in public associations*.

Of these two systems, the realization of the former would be conceivable without any essential change in the present relations between the classes.

Thus in the industries or in the countries most advanced in capitalist concentration, we see captains of industry or statesmen, whom no one would suspect of any weakness for socialism, admit that at a given moment the statization of the principal industries is coming.

Read again, for example, the very interesting interview with M. Kirdorf, president of the Coal Syndicate, in "Rhin et Westphalie" of Huret.

As M. Kirdorf pleaded for the monopoly, maintaining that it had to be organized under

penalty of ruin for the coal industry, his interviewer suggested that an intermediate solution remained possible; the State, in view of the alternative of monopoly or of the ruin of the mining industry, putting its hands on the concessions and operating them on its own account.

And M. Kirdorf replied:

That is just what it is trying to do! It already possesses coal mines in the basin of the Saar and in Silesia, and even rich potash mines. It thinks only of buying new ones. M. Thyssen has sold to it in our basin his concessions of Gladbach and Waltrop which produce 800,000 to 900,000 tons, and in a few years the Prussian State may be a part of the Syndicate. Understand, its aim is, in the first place, to make money, for the mines pay. But it is also interested in controlling prices, and in using its influence, if opportunity arises, to lower them, to the government's advantage. It is thus that the Prussian State, essentially conservative, puts itself into opposition to the national capitalism.

M. Kirdorf again states this tendency, seeming to find it quite natural, but not approving it. Others go farther.

At the time when Mr. Taft was President of the United States, an editor of the *Neue Freie Presse*, who had interviewed him on the question of state industries, summarized his opinion as follows:

He is convinced that, if limits are not set to the trusts, the American tendency would everywhere create complete monopolies, whose economic power

would inevitably be so prodigious that the acquisition of the enterprises by the State, and consequently socialism, would be the necessary result.¹

Such prophecies, which the socialist press reproduced with a little too much complaisance, count for much in the strange idea that many people, otherwise well intentioned, construct for themselves of what the socialist regime would be.

It is indeed evident that if socialism were merely the taking over by the State, under its present form, of the monopolized industries, such a system would have for the very condition of its existence a formidable concentration of governmental power.

In a lecture at Sion College, February 4, 1914, on the "principal currents of contemporary thought," the Dean of St. Pauls, the Rev. Mr. Inge, said:

Socialism may be conceived as an omnipotent bureaucracy, directed by a small number of capable men, of the type of Napoleon or Pierpont Morgan; and such men are accustomed to high pay for their services. A socialist government might be powerful and prosperous, but it would have to rule with a rod of iron.

Is it necessary to repeat that if this were socialism, it would have no more energetic opponents than the socialists themselves?

¹Hugo Muensterberg, *Neue Freie Presse*, November 19, 1911.

Statism thus generalized would maintain the wage system, would maintain the authority of the employer, would maintain the relations of subordination existing between the ruling class and the working class.

Socialism, on the contrary, implies a radical, essential change in these relations.

It is not a question of replacing private capitalism by State capitalism, but private capitalism and State capitalism by the co-operation of the workers, masters of the means of production and exchange. And such a transformation, which suppresses the distinction between capitalists and workers, is nothing less than a revolution.

This revolution, the social revolution, which the Manifesto compares to a geological upheaval, to a rising of the lower strata of society, overthrowing all the present legal and political superstructures, may be sudden or slow, may take the classic forms of previous revolutions or, which is more probable, may decompose itself into a long series of partial struggles, more or less bitter, more or less violent; but on any hypothesis, the day when this shall be accomplished, there will no longer be anything in common between the capitalist State, instrument of the rule of the possessing classes, and the new State, the

socialist State, organ of management of the common interests.

Today, the State is above all a power of coercion, of domination, exercising incidentally certain economic or social attributes. In a socialist regime, on the contrary, these attributes would become the principal part of its activity. It would cease to dominate the workers. It would emanate directly from them. It would become theirs. It would answer to this famous definition of St.-Simon:

"The aim of the French State is to realize the well-being of its members, by peaceful works of real utility."

This passage from the bourgeois State, transcendent, to the socialist State, immanent, has nowhere been better grasped and defined than by Anatole France, in a well-known passage of "Monsieur Bergeret à Paris":

"'What is the State?' asked M. Bergeret of his daughter, whose comprehensive scholarship has marvelously assimilated the quintessence of socialist thought.

"Mlle. Bergeret quickly replied:

"'The State, Father, is a woeful, ungracious man seated behind a little window. You understand that we are not anxious to rob ourselves for him.'

"'I understand,' answered M. Bergeret, smiling. 'I am always inclined to understand, and I have wasted precious energies at it. I discover at last that there is great force in not understanding. Sometimes that enables one to conquer the world. If Napoleon had been as intelligent as Spinoza, he would have written four volumes in a garret. I understand. But this ungracious and woeful man seated behind a little window,—you entrust your letters to him, Pauline, that you would not entrust to the Tricoche Agency. He manages part of your property, and not the smallest nor the least valuable part. His face looks morose to you. But when he is everything, he will no longer be anything. Or rather, he will be nothing but ourselves. Annihilated by his universality, he will cease to appear meddlesome. One is no longer bad, my daughter, when one is no longer anybody. The unpleasant thing about him today is that he goes about scraping and filing, biting little out of the fat and much out of the lean. That makes him unendurable. He is greedy. He has needs. In my republic, he will be without desires, like the gods. He will have everything and he will have nothing. We shall not feel him, since he will be shaped to us, indistinct from us. He will be as if he were not. And when you think that I am sacrificing indi-

viduals to the State, life to an abstraction, it is on the contrary the abstraction that I am subordinating to reality; I am suppressing the State by identifying it with all social activity.'"

We find in these lines, so admirably condensed, the very thought of Marx and Engels.

In the economic order, as in the political order, and, in a general way, in all spheres of collective life, socialism is not pro-state, but anti-state. It strives to bring about the separation of the State from labor, as from religion and from the family. It desires, as the final term of this triple evolution, the State-power, the State as organ of authority, to be reduced, if not to nothing, at least to secondary functions of supervision and police. Family life escapes from its control. The churches are no more than free associations grouping citizens according to their philosophic or religious affinities. The great co-operative of social labor, arrived at the fullness of its autonomy, administers itself, free from all governmental interference.

The realization of this ideal may be more or less complete and more or less near. But, under penalty of dangerous deviations, the proletariat must be penetrated with it.

We have put ourselves on guard against the excesses of a sterile doctrinalism, which would

make us reject any State intervention, any resort to the State, even to prepare for discarding it.

We should guard ourselves far more against the contrary tendency, which would see in the extension of State functions, in the grasp of the Government upon the principal industries, the final form and the triumph of socialism.

In an interesting letter which Marx wrote in 1873, to oppose the ideas of Bakunin, he ridiculed with reason those anti-statists who, for fear of consolidating the bourgeois State, avoid all practical activity: to limit the hours of labor is compromising with the exploiters; to strike for higher wages is to recognize the wage system; to demand that the State, whose progress rests on the exploitation of the working class, should furnish elementary education to the children of laborers or appoint factory inspectors, is to fortify it instead of dissolving and destroying it.

But it is not against such dangers that warnings are needed today. The socialists are in the midst of political and social activity. They act on the State to constrain it to enact reforms. They are demanding, even now, extensions of its domain. They are striving to conquer it, to turn its coercive force against capitalism. The all-important thing is that *this action for the conquest or for the utilization of the State does not*

prevent the struggle against the State, in so far as it is an organ of class rule.

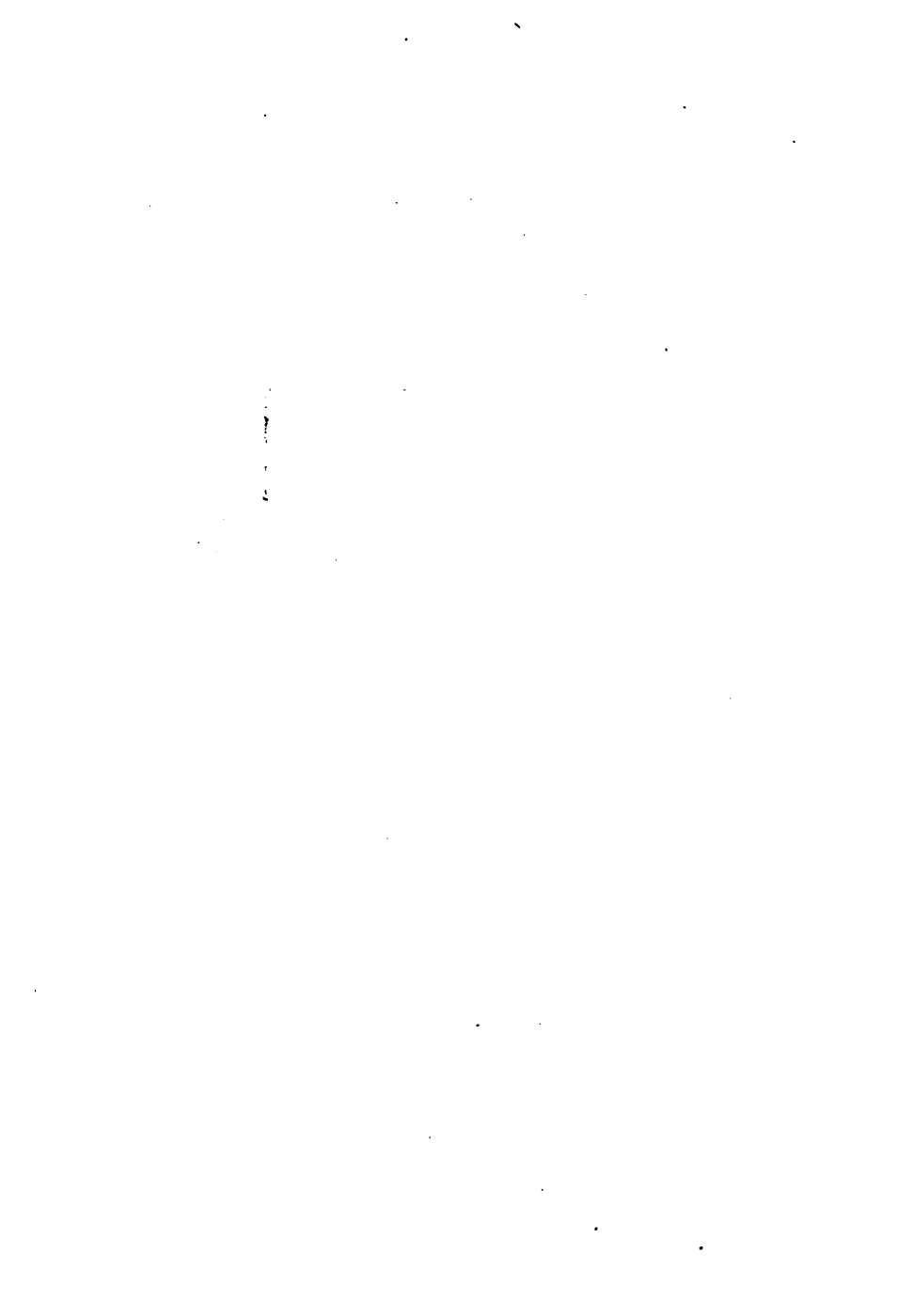
It is not enough to say that it shall be abolished after being conquered, it is necessary to prepare for that abolition, in all spheres of social life, striving to realize, as against it, the autonomy, ever more complete, of individuals or collectivities.

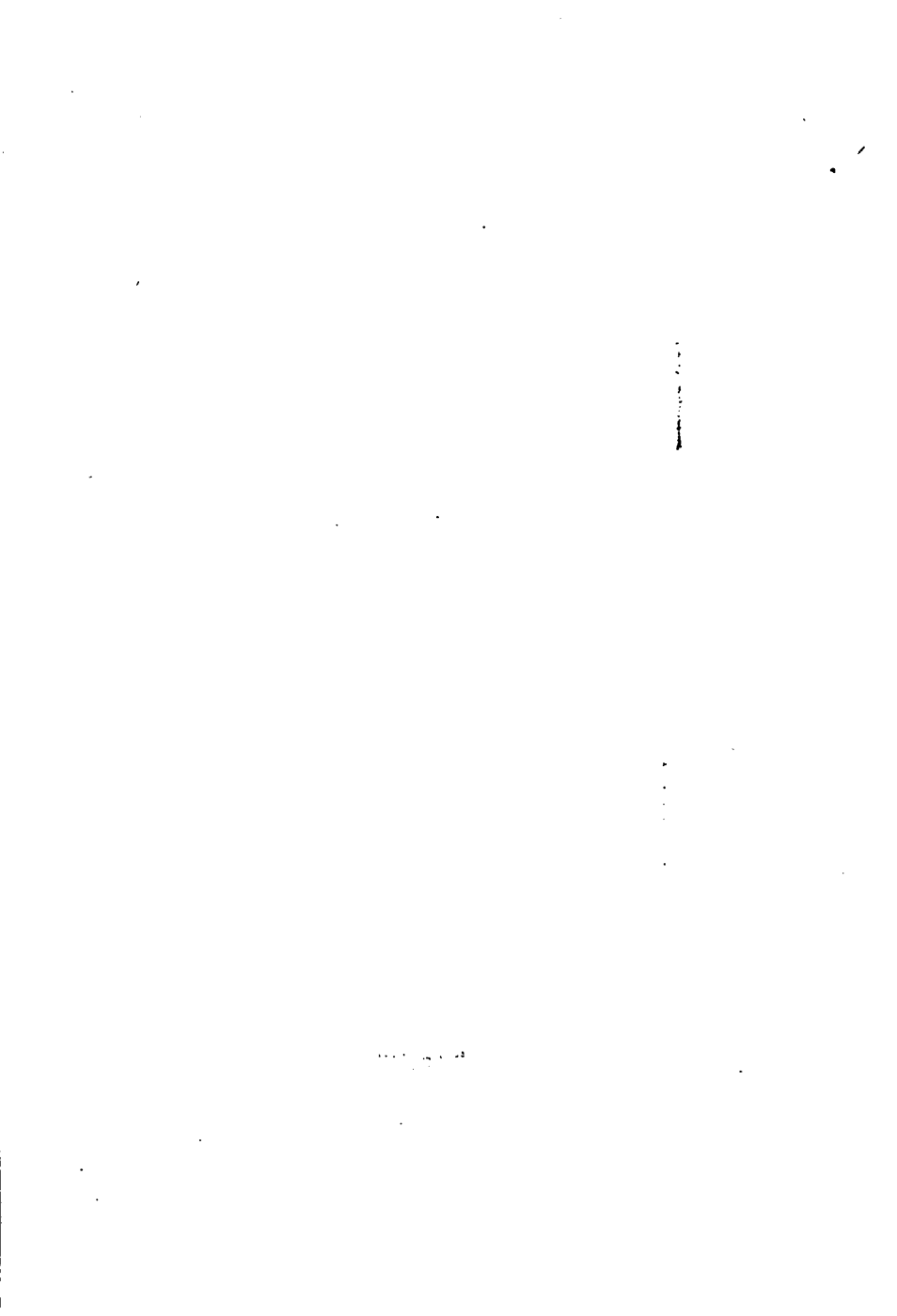
Let the workers, to improve their condition, accept or demand from the bourgeois State a minimum of protection. Let them prefer to capitalist monopolies the State industries, which take account, at least to a certain extent, of the general interest. Let them strive to maintain, after the war, the control that will have been established over the principal branches of production and exchange. We are with them. We admit all the value of these necessary reforms. But it is impossible to repeat often enough, at the moment when, everywhere, the progress of statism during the war is represented as a partial realization of collectivism,—that these reforms, to be demanded above all by the socialists, are not, properly speaking, socialism.

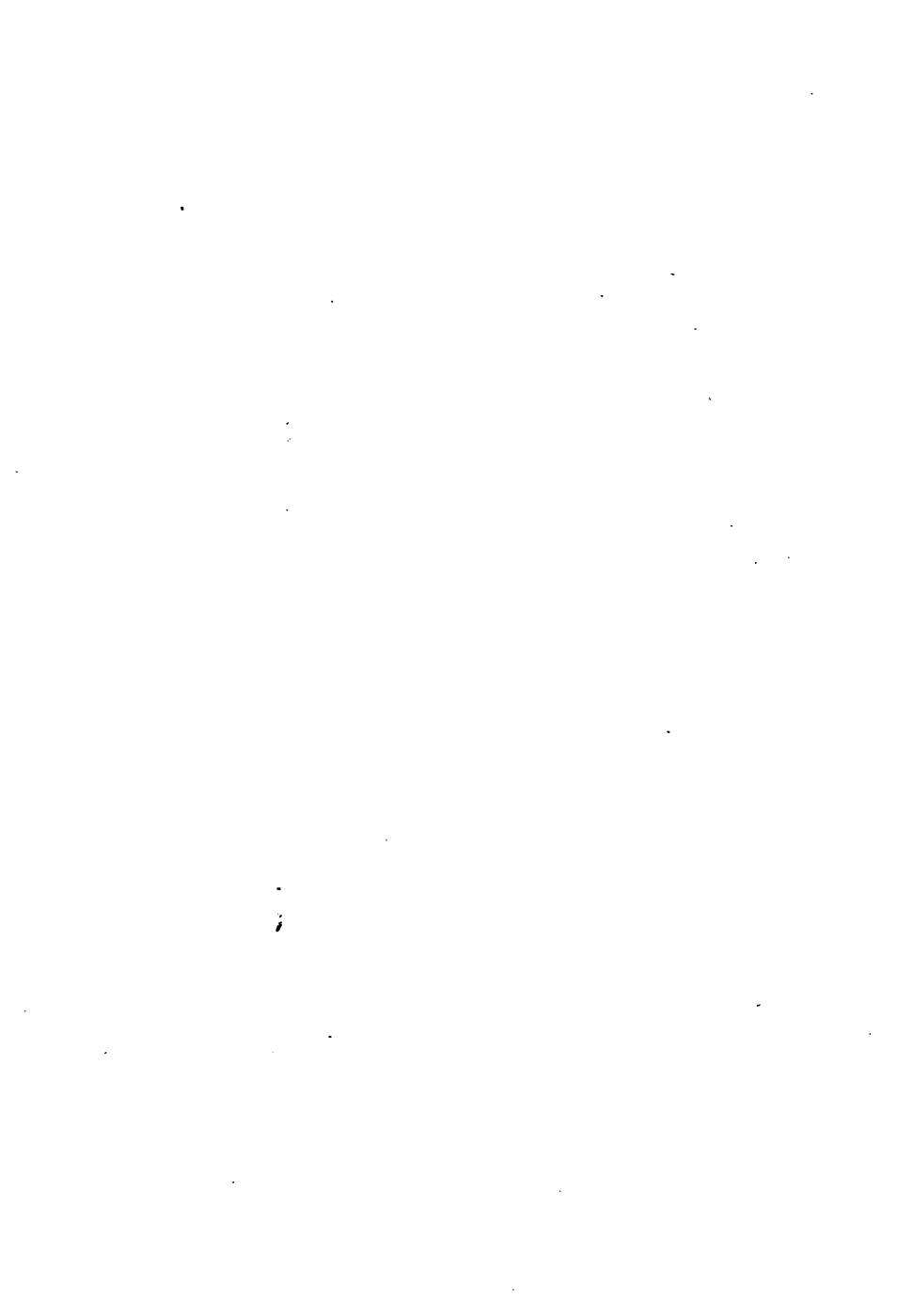
They may open the way to it. They may be the preparation and the preliminary condition of the system of the future. But they might, if we do not take care, result in a disastrous lessen-

ing of the liberties of the individual, by a formidable development of the State-power, still in the hands of the master classes.

So we should never forget that, even if the principal industries came to be incorporated in the collective domain, the system of the future would still have to be created by the transformation of the State, and that this system can only be created by a militant proletariat, penetrated to the marrow with the injustice of present social conditions, and resolved to conquer, by main force, well-being and liberty.









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